DOMINION OF CANADA

OFFICIAL REPORT

OF

DEBATES
HOUSE OF COMMONS

FIRST SESSION—FIFTEENTH PARLIAMENT

16-17 GEORGE V, 1926

VOLUME II, 1926

COMPRISING THE PERIOD FROM THE SIXTEENTH DAY OF FEBRUARY TO THE TWENTY-NINTH DAY OF MARCH, 1926. INCLUSIVE

BEING

VOLUME CLXXI FOR THE PERIOD 1875-1926

INDEX ISSUED IN A SEPARATE VOLUME

OTTAWA
F. A. ACLAND
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1926

DOMINION OF CANADA

OFFICIAL REPORT

OF

DEBATES

HOUSE OF COMMONS

FIRST SESSION—FIFTEENTH PARLIAMENT

10-11 GEORGE V, 1920

VOLUME CLXXI FOR THE PERIOD 1919-1920

BEING

TWENTY-SEVENTH DAY OF MARCH, 1920, INCLUSIVE

COMPRISING THE PERIOD FROM THE FIFTEENTH DAY OF FEBRUARY TO THE

VOLUME II, 1920

PARTLY ISSUED AS SEMI-OFFICIAL REPORT

PRINTED BY THE KING'S MOST EXCELLENT MAJESTY
AT THE
OTTAWA

CANADA

House of Commons Debates

OFFICIAL REPORT

Tuesday, February 16, 1926

The House met at three o'clock.

THE LATE MR. J. E. MARCILE, M.P.

Mr. SPEAKER: I have the honour to inform the House that I have received the following letter:

Honorable RODOLPHE LEMIEUX,
Président de la Chambre des communes,
Ottawa, Ont.

Honorable Monsieur,

J'ai l'honneur d'accuser réception, de l'édition des "Débats de la Chambre" que vous m'avez gracieusement adressée, et contenant les consolantes et élogieuses paroles que les honorables chefs des différents partis ainsi que le distingué représentant de Bagot, ont prononcées à l'égard de mon regretté mari.

Nul plus que moi fut à même, à travers les sentiers de la vie, d'apprécier ses nobles qualités de cœur et d'esprit, aussi, le geste spontané, et unanime de la Chambre, déposant au pied de sa tombe, le touchant tribut du souvenir, m'émeut, plus que je ne puis l'écrire, et je me sens réellement impuissante à vous exprimer toute la gratitude que je ressens.

Veuillez, s'il vous plaît, accepter, et présenter pour moi, aux honorables membres de la Chambre des communes, l'hommage de ma profonde reconnaissance, et soyez assuré que je garderai précieusement, ainsi que ma famille, le témoignage de cette haute marque d'estime et de sympathie.

J'ai l'honneur d'être, monsieur l'Orateur,
Votre très obligée,
Mme J. E. MARCILE.

Acton Vale, 15 février 1926.

TRANSPORTATION OF COAL

Hon. CHARLES STEWART (Minister of the Interior): I lay on the table copies of the order in council dealing with the instructions for an investigation into the railway rates on coal.

REPORTS AND PAPERS

Statement of estimated amount of work done and approximate expenditures made on the Canadian National Railways to December 31, 1925.—Hon. Mr. Lapointe.

Statement of estimated amount of work that will be done, and approximate expenditures that will be made, in the year 1926 on the various branch lines of the Canadian National Railways.—Hon. Mr. Lapointe.

SELECT STANDING COMMITTEES

Hon. ERNEST LAPOINTE (Leader of the House) moved:

That Messrs. King (Kootenay), Casgrain Charters, Tolmie and Spencer be a committee to prepare and report with all convenient speed lists of members who compose the select standing committees of the House.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): May I ask if the names of the members from this side were given by the chief whip?

Mr. LAPOINTE: Yes.

Motion agreed to.

DISTRIBUTION OF CANTEEN FUND

On the Orders of the Day:

Mr. T. L. CHURCH (Toronto Northwest): I should like to ask the government what has been done in regard to the distribution among the soldiers of the canteen fund amounting to $2,000,000. It is nearly a year now since parliament passed an act in respect to this matter, and voted the sum of $800,000 to the province of Ontario as its share. As yet, however, no commission has been appointed for that province and apparently none will be for some time, although there are many men in need of relief owing to unemployment and distress. Will the government later on in the week state the cause of the delay, and inform the House as to the nature of the existing situation?

Mr. LAPOINTE: I think boards have been appointed in the various provinces in connection with the fund referred to. However, I will communicate with the minister in charge of the department concerned, and give the information to my hon. friend in the House.

GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

The House resumed from Monday, February 15, consideration of the motion of Mr. J. C. Elliott for an Address to His Excellency the Governor General in reply to his Speech at

the opening of the session, and the proposed amendment thereto of Mr. Sutherland (South Oxford).

Mr. J. A. FRASER (Cariboo): Mr. Speaker, before resuming my remarks on the particular subject now under discussion, may I refer to an interesting event which occurred no later than yesterday. Hon. gentlemen opposite were kind enough last evening to show their appreciation of various remarks of mine by their applause. Now I should like to congratulate them on the successful termination of the election in the constituency of Prince Albert. May I say, in all sincerity, that I recognize the Prime Minister as an outstanding man in Canada. He is a man of conspicuous ability and capacity in the administration of public affairs. Like myself the right hon. gentleman is a Canadian, and speaking as a Canadian I am very proud of Mr. King as Prime Minister of this country.

Some hon. MEMBERS: Hear, hear.

Mr. FRASER: I wonder if hon. gentlemen opposite would have paid a tribute of that kind to my leader had he been in the same position.

Some hon. MEMBERS: Surely.

Mr. FRASER: Now that hon. gentlemen opposite are in such a good humour it might be opportune to inform them what they look like from this side of the House. The boot is now on the other foot, and the Liberal party with all due respect to every member of it looks like a second-hand dilapidated motor car, ambling round this parliament on four flat tires, with a broken steering gear and hitting on one cylinder. Hon. gentlemen opposite have sent to Prince Albert and repaired their steering gear and have done it handsomely. The next thing I advise hon. gentlemen opposite to do is to send to the Massey-Harris firm for a set of spark plugs; but for goodness sake let them not ask us to adjourn this House in order that they may be able to purchase and inflate a new set of tires.

Having got the House into a pretty good humour and having exchanged compliments across the floor, I will proceed now to the business which I was sent here to attend to, and that is to have the hon. members on the opposite side of the House sent over to this side as quickly as possible.

I referred last night to mining matters generally throughout Canada, and I will now discuss more particularly the amendment before the House, which has particular reference to tariff matters as they apply to the trade and commerce of Canada. Whatever may have been the main feature of the election in any other part of the Dominion, so far as the district of Cariboo is concerned hon. gentlemen will understand that the principal feature in the campaign, without any manner of doubt, was the tariff question. It was the outstanding issue in Cariboo and I believe in British Columbia. I am not so sure of British Columbia as a whole and therefore will confine myself to my own district. In my opinion that question decided the election. The people in my district are certainly interested in tariff matters; when you apply the incidence of the tariff to the different occupations of the people in that district, they are certainly interested and will listen to you, and if you present the issue in a proper way, as I did, you will see the result. I desire particularly to discuss this tariff question as it applies to the agricultural industry. My hon. friends on the other side as well as the other groups, go around the country when tariff measures are under discussion and try to terrify the people about the Conservatives and the Conservative policy by telling them that we are the favourites of the big interests, that the tariff question is not one which has any application to the prosperity of the ordinary individual, the farmer or labourer, but that it only adds to the notoriously large profits of the corporations and big businessmen. That is the outstanding feature of the talk we hear from the Grits when an election is being held. I desire to be very specific in this, and I say that that is not a proper interpretation of the tariff policy of the Conservative party at all. As I understand it, the Conservative party does not favour high protection. That party favours a fair measure of protection to everybody and every interest.

An hon. MEMBER: Adequate protection.

Mr. FRASER: I will give the hon. member a better word than that—something else which he can talk about. The Conservatives are not a high tariff party. We are not in favour of a low tariff but fair tariff.

Some hon. MEMBERS: Oh, oh.

Mr. FRASER: I am glad to see that I still continue to get applause from both sides of the House. That being the generally accepted policy of some of our Liberal friends, why not give us a hand to assist us to put it into effect?

An hon. MEMBER: Why do you not do so?

Mr. FRASER: If my hon. friends were over here, as they are going to be in a short time, we might be able to do it. I desire particularly to refer to the application of this

fair tariff policy to the dairying interests of the district I represent. In regard to the dairy interests of Cariboo I speak with some authority, because I helped to organize the co-operative dairy association in the little town of Quesnel, British Columbia. I was a director for the first three years of its life and helped to put the organization on a proper basis so that it could operate for the benefit of the farmers who were anxious to see what could be done in that district by co-operative effort. We have five creameries in the district and one of them is in the Pouce Coupe district, of the Peace river country. We have a creamery working up there across the boundary from Alberta in the Peace river section of the country, and that creamery is located in the district I represent. Since the inception of the creamery at Quesnel I have been closely associated with all the members of the organization, and I have noticed that my farmer friends in the district are continually complaining that the industry is not as profitable as it should be, that the net return they get from the manufacture of cream and the selling of the product to the creamery is not a profitable one, and that, after they deduct the expenses of their operation, there is very little net return for the farmer himself, which is an important point. The industry at present is a going concern, but is not in my opinion firmly established. It is a very grave question to me at the present time whether it is going to be able to function properly or not, or to continue in operation, because the margin of profit is so small. When a man does not get a profit out of any work he is carrying on, he will quit working altogether, and I am afraid that, on account of the small profit the farmers are making out of this operation, they will sell their cows or turn them over to the butcher for beef, and then the organization will be out of business. Just as soon as you reduce the number of cows below a certain line you are operating your creamery on an unprofitable basis, and no business can operate for a long time without a profit. You must have a reasonable profit in any business. When I apply the tariff policy of the Australian treaty to the conditions that I see in my own district, I am afraid the result of that treaty will be to close up just such organizations as the one I refer to throughout the country, because there is no question—and it cannot be denied—that you are reducing the profit of the farmer from the cream he is selling to the organization, and if that is done in a large degree the farmer will go out of business and try something else.

With particular reference to the Australian treaty and the difference that exists between the height of our tariff walls and that of those we find in other countries, let me point this out. The difference between the United States tariff and the Canadian tariff on butter is at present four cents a pound. If a Canadian farmer wants to send butter into the United States, there are customs men on the border to prevent him from sending it in unless he pays the duty of eight cents a pound. In regard to this question, I am speaking from the British Columbia viewpoint with the city of Vancouver on this side of the border and the city of Seattle on the other. The British Columbia farmer, if he wants to find an export market for his product, can always find it in Seattle. On the other hand, a United States farmer who is exactly the same distance from the Seattle market as our farmer is from the Vancouver market and who can produce butter at the same or probably a little less cost, can send his butter into the Vancouver market under a duty of only four cents a pound, whereas the British Columbia farmer has to pay a duty of eight cents a pound in order to market his butter in Seattle. I contend that a government that will maintain a tariff of that kind, where there is such inequality, is robbing the Canadian farmer of four cents a pound on his butter. If the government in its wisdom would only raise that tariff to the same level as the United States tariff, that is eight cents a pound, immediately the Canadian farmer, handling butter in his home market, would reap the benefit of that additional four cents a pound. I believe and I am now convinced that is a fact. What has convinced me? The operation of this Australian treaty has convinced me that this government under the general tariff as applied to the United States, is robbing the Canadian farmer of that four cents per pound. What did this Australian treaty do? It robbed the Canadian farmer of another three cents per pound, because it lowered the protective duty on this commodity to one cent per pound and as the difference between four and one is three immediately that reduction in duty went into effect, what did we find?—every dairyman of the Dominion of Canada receiving exactly three cents per pound less for his cream and butter. That has been admitted by every minister who has spoken on this question and, therefore, this government have taken from farmers throughout this Dominion the value of three cents a pound on their butter.

I am not complaining at all about the United States tariff or about the Australian

tariff. That is the business of the people of the United States and Australia. I am here to attend to Canadian business; I am here to tell the Canadian government that I am finding fault with them and not with the government of the United States or Australia. The United States farmers make representations to congress that they want enacted such and such a law. For instance, they say that they want a duty of eight cents a pound imposed on butter going into the United States, and congress goes to work and very wisely gives their farmers the protection they want. Legislation of this character is enacted at the demand of the United States farmer or the Australian farmer, and if that is a good principle for the Australian or the United States farmer, why is it not a good principle for our Canadian farmer to pursue? Why would the Canadian farmer not be just as glad to put that extra three or four cents a pound into his pocket as the United States or Australian farmer? I commend those two governments for doing what they are asked to do by the people who are interested in the different industries, and they must be interested or they would never have got that legislation passed. The United States congress or the Australian Commonwealth parliament are not going to enact laws unless they are requested to do so by people who are interested in the industry concerned.

I am not arguing in favour of the abrogation of the Australian treaty. I claim that if the Australians, in their superior judgment and wisdom and by virtue of the fact that they have men of greater ability to represent them in the making of treaties, secure a certain advantage over us, they are entitled to it; but the agitation on this matter should not be allowed to stop until we get these public men out of the way and let some person step in who can make a treaty that is equal all around. I have every sympathy with inter-imperial trade, and I am not going to argue in favour of the abrogation of the Australian treaty just because in it there are certain things which should be corrected and which we shall soon correct if hon. gentlemen opposite will only let us get men of good judgment in charge of the government of this country.

Another reason why we should not be too anxious to ask for the abrogation of this treaty is because certain of our people enjoy advantages under it. For instance, our pulp and paper men, our salmon canners, and also, I think, manufacturers of certain automobile parts and probably automobiles themselves, enjoy substantial advantages in the Australian markets and they are entitled to the advantages which they enjoy in those different lines of industry. If they require that in order to make a little better profit and to stabilize their industry in this country, I am not going to argue that the treaty should be abrogated and these advantages be taken away from them just because the treaty is not fair all around. If one set of men can make a treaty which is not altogether fair, surely another set of men with a little better judgment can be got together to make things fair and just to all.

I want to read certain telegrams which I have received from the pulp and paper industry in British Columbia, a province of which I have the honour to be one of the representatives in this parliament. Both of these telegrams protest against the removal of their advantages under this treaty. I am pretty familiar with the Powell River Pulp and Paper Company. No company is better organized than this. It treats its men fairly and everything is done in an up-to-date manner. The employees are provided with all the care and attention that they should have and nothing is left that could be desired. Everything is provided for the comfort and convenience of these men. On the other hand, the men realize this and they have every respect for the company for which they are working. The company telegraphs:

> With reference to amendment to Speech from Throne dealing with the Australian treaty, we would urge upon you that based on this treaty we are expending some eight million dollars in plant extensions hoping to get our share of Australian business and abrogation of treaty would be manifestly unfair particularly without giving it a fair trial. We are satisfied that investigation will disclose that the treaty is both favourable and valuable to Canada.

The other one is from the Pacific Mills, Limited, an organization of which I know very little, but I know it is a bona fide pulp and paper mill company. What I have said with reference to the Powell River Pulp and Paper Company would apply equally to Pacific Mills Limited. I would call the attention of the House to the following telegram:

> We are advised that Mr. Donald Sutherland, M.P. representing dairy interests contemplates amendment to throne speech criticising Australian treaty on ground that such interests are being jeopardized. You are thoroughly familiar with treaty naturally and have full access to customs import figures and we are satisfied that any investigation will show that such is not the case. Further than that while the treaty has only been operative four months the benefits to the paper industry and the country as a whole so far exceed any slight disadvantages that any criticism at this time will do great harm both in Australia and in Canada.

This telegram expresses the attitude of these gentlemen to the amendment now before the House in so far as it relates to the Australian treaty, and they have a perfect right to state their views on the subject as emphatically as they can. It is, I think, exceedingly proper that they should be alive to their own interests and they are to be commended for the activity they display in looking after those interests when they fear that the privileges they enjoy in this country are threatened. To that extent they have my entire sympathy. I do not want it understood for a single moment that I am advocating the abrogation of the treaty to the detriment of the pulp and paper industry in Canada. But I do want to ask these gentlemen in British Columbia a very pertinent question. They derive some benefit from the treaty; they enjoy a certain profitable trade because of its operation. Very well; but do they expect the dairymen of Canada to pay for the privileges they enjoy? Why deprive the dairymen of this Dominion of the same privileges that are extended to a particular industry? On the floor of this House the other night the Minister of Agriculture (Mr. Motherwell) informed us that we produced in Canada some 275,000,000 pounds of butter of which he said we exported 25,000,000 pounds. That left a total of 250,000,000 pounds which we sold in the local market. Now I think I have already established the fact that the inequality in the tariff under this treaty, since it has come into force, has been responsible for a reduction of 3 cents per pound in the price of butter in Canada. No one can deny that.

Some hon. MEMBERS: No.

Mr. FRASER: Hon. gentlemen apparently do not follow me. At any rate, that is my contention and while I shall not stop here to argue the point I state, what is a fact, that we sell at home in Canada 250,000,000 pounds of butter, in regard to which the producers have suffered a loss of 3 cents per pound because of unfair competition. That works out at a total of $7,500,000 which these gentlemen in British Columbia, if their demands are acceded to, would have the dairymen of Canada lose, as in fact they have already lost it. The pulp and paper people of British Columbia are very properly looking to their own interests; but why should the dairymen of the Dominion stand a loss of $7,500,000 in order to protect those interests? Why not let us all get in line and give to the dairymen the same advantages that are extended to the pulp and paper interests?

Mr. DUSSAULT: Is the hon. gentleman multiplying the 25,000,000 by 3?

Mr. FRASER: I am multiplying the 250,000,000 by 3. The 25,000,000 we export. The hon. member does not understand my argument. I subtracted that 25,000,000 from the total production because the 3 cents per pound could not apply to what we exported but only to the quantity of the product sold at home; and I contend that on that 250,000,000 pounds of butter the farmers would have received 3 cents per pound less under the operation of the Australian treaty than they got. I do not think that anybody is arguing that the tariff will protect us at all in our export business.

Mr. DUSSAULT: Does the hon. member contend that 4,000,000 pounds of butter imported into this country will fix the price of 275,000,000 or 250,000,000 pounds?

Mr. FRASER: Where do you get the 4,000,000?

Mr. DUSSAULT: That is what we have imported.

Mr. FRASER: I think my hon. friend is altogether on the wrong track. The price obtained in the home market is governed not by any quantity of exports but by the extent of the tariff protection afforded; and as I have said, the dairymen have lost $7,500,000 on the butter sold at home as a result of a reduction in price of 3 cents per pound. Let me impress upon the government as well as upon these gentlemen out in British Columbia this fact, that the dairymen of the Dominion have as effectually lost that $7,500,000 as though a gang of men had shot their cows or burned their buildings or rifled their safes. That is virtually what has been done to the dairymen of this country, for you might just as well injure them one way as another. Now I ask in all fairness, I ask hon. gentlemen representing these pulp and paper interests, is it right, is it fair that our dairymen should be sacrificed in order to protect others? I do not think that we can stand for that.

And do not let hon. gentlemen run away with the idea that our dairymen are the only ones who have suffered under this treaty. My hon. friend from West Kootenay (Mr. Esling) the other night pointed out that the fruit industry had been hit hard, and this applies to all branches of fruit growing. There are numerous branches of that one industry alone which have suffered; and in addition to this the treaty has affected the vegetable grower, the truck gardener, the honey producer, and the hog raiser, for the tariff under the treaty certainly discriminates against Canadian lard.

And fresh and smoked meats are also in the list of the things affected. In my own district, as I have explained before, we have an area 650 miles by 350, and the people are making a start now in the raising of sheep. But what will happen when we allow the cheap mutton that comes from Australia to enter into competition with our product? And remember that mutton is only a by-product in Australia; it cuts no ice at all with the sheep raiser, whereas in British Columbia it is vital to the sheep industry. He must get a fair price for his mutton in order to make the industry profitable. Sheep-raising is the best paying industry in my constituency to-day. True, it is only being carried on in a small way at present, but the industry is going to grow rapidly because it is profitable. After all, the farmer is a pretty wise man, and when he sees that a particular branch of agriculture is profitable he is going to take a crack at it. But I am afraid the government will come along and with another trade treaty ruin the small sheep-raiser. Remember, we need plenty of wool in this country. In the name of common sense—if this government had any, which I doubt,—why should it put into operation a treaty that would bear so harshly on some of the most deserving classes in this country?

Now, one of my friends opposite asked me something about the meaning of an adequate tariff. Apparently he did not understand the term. I hope to enlighten him before I am through. During the general election our Liberal friends tried to terrify the people by telling them that the Conservative party advocated a high tariff. But we do not want to talk about high tariff, adequate tariff, low tariff or free trade. What we want to talk about is equivalent tariffs—equivalent protection—nothing else. I went to the trouble of looking up the definition of "equivalent" I do not see my note here, but I can tell the House what the word means.

An hon. MEMBER: Brick for brick.

Mr. SPEAKER: Order.

Mr. FRASER: Maybe hon. members will take it as read. My recollection of the definition of "equivalent" as I copied it from Webster's new international dictionary is: equal in value, force or import. Equal in value—that is what we want in our tariff policy. We want such a tariff policy as will give the same value to the Canadian as the Australian demands for himself. What this country needs is equivalent tariffs, equivalent protection, up and down the whole tariff line. The question should be studied carefully and thoroughly by men who have a sympathetic interest in it, and a policy founded on their conclusions should be put into operation by a government that has some back bone and some sense. I have just placed my hand on what I copied from Webster's dictionary. Equivalent means: Equal in worth or value, force, power—

An hon. MEMBER: That is nothing new.

Mr. FRASER: Well, some other hon. members might be enlightened if I read the full definition:

> Equivalent: Equal in worth or value, force, power, effect, import and the like; alike in significance and value; of the same import or meaning.

That is what I submit we need in this country—tariffs that are of the same import or meaning, alike in significance and value. We want them to apply in a fair and reasonable way. We do not want them to apply for the benefit of the manufacturing interests alone. What we are particularly interested in at present is the agricultural industry—the primary and basic industry of this country. I maintain that our agricultural industry in every line is being unfairly treated by this government, it is being robbed.

In the Speech from the Throne I notice this declaration: My government proposes to proceed forthwith with the completion of the Hudson Bay railway. Why does the government in the Speech from the Throne specify the completion of a common, ordinary public work? To me such a statement is entirely out of place in a Speech from the Throne. It is not dignified to so specify the completion of a public work. I may say here that my people in Prince George want a post office. Next session are we to find a paragraph in the Speech from the Throne saying: We propose forthwith to construct a post office in Prince George? I see my hon. friend the Minister of Public Works (Mr. King) smiling. I have made application to him for that post office, and I hope he will not forget to include it in the estimates. Now, I contend that the completion of a public work should not be mentioned in the Speech from the Throne at all. It is not a declaration of public policy. On the contrary, it is a sign of weakness. The rules of the House, Mr. Speaker, clearly intimate to me that I must not talk about "purchasing" independent votes in this House; but I do not know what that passage in the Speech from the Throne is if it is not an offer for support or something of that kind from the independent members in this House. It looks like that to me at any rate, because on the very face of it it is not a subject that should be introduced into such a document.

Then why introduce it? I have not heard any other member speak along this line, but I thought from the very first minute I saw that passage in the Speech from the Throne that it was rather anomalous to include it there.

Now, I have an open mind with regard to the completion of the Hudson Bay railway. I do not believe it will ever be any use for the transportation of grain; but I am prepared to accept any reasonable arguments that may be submitted in support of the completion of the railway for the development of the country tributary to it. That is a different proposition altogether. And I do not mean to say that the amount of money that is proposed to be expended on the completion of the line is exorbitant or extravagant in relation to the resources of that northern country, for I would not venture, from my own knowledge of these outlying places in the Dominion, to guess either the extent or nature of the local natural resources that would amply repay completion of the road. All I desire in this regard is to remind members from the province of Ontario of what happened when the provincial government started to build the Temiskaming and Northern Ontario line into northern Ontario. I understand that the primary purpose was to develop agricultural land in that territory. But the contractors stumbled on a rich mine—that is just about it—and the silver and gold-mining industry that developed later amply repaid the province for all the expenditure on that railway. I would not venture the suggestion that there were not equally as good possibilities in the Hudson Bay territory, because I have seen a whole lot of those great open spaces of the west, and you can never tell what they are worth until you examine them. But is the Hudson Bay railway the only railway question that is vexing the people of this Dominion, even admitting that it is proper to mention it in the Speech from the Throne? I do not think so. I have heard a lot since I have been in this House about the railway troubles of the Maritime provinces, and I must say it seems to me they have a legitimate ground for complaint down in that part of the country; they have a railway situation there of some magnitude. Then why not mention the railway grievances of the Maritime provinces in the Speech from the Throne, as well as the Hudson Bay railway? I have brought up this subject particularly for the purpose of pointing out that British Columbia has also a very important railway question on its hands, and British Columbia needs assistance from the Dominion government in order to solve its problem. British Columbia's railway problem concerns very materially the province of Alberta also. The Peace River and Alberta railway situation comes down to this: the Peace river people are looking for a western outlet. Look at any map you like, and you will find that the only way in which the products of the Peace river country can be got to their natural market is through British Columbia. There is no use talking about taking those products down to Edmonton or through Alberta or anywhere else. British Columbia is the only way. I should like to refer to a statement in this connection made in the House by the hon. member for Peace River (Mr. Kennedy). At page 541 of Hansard he says:

> Including Pouce Coupe and the Canadian National lines there was $427,800 worth of creamery butter produced north of Edmonton last year.

I have every respect for the intelligence of the hon. member for Peace River, and I do not think he ever intended to make a statement of that kind at all, for as a matter of fact there is not a single mile of Canadian National railway operated north of Edmonton. The hon. member must have meant the Canadian Pacific railway. We have the Canadian Pacific railway operating in that northern territory the Edmonton and Dunvegan railway. That road was originally planned to provide a proper outlet for the products of the Peace river country by way of our road in British Columbia, the Pacific Great Eastern, but unfortunately, owing to the financial condition during and following the war, the connecting up of these two lines has been delayed. But the point I want to make is this: If it is proper to mention the Hudson Bay railway in the Speech from the Throne, the railway problem of the Maritime provinces should also be mentioned, as well as the railway problem we have in Alberta and British Columbia of connecting up the Peace river country with the coast.

4 p.m.

During the last election campaign the Prime Minister said that he was going to direct the spearhead of immigration to the Peace River country. Now if the spearhead of immigration was going to be directed to the Peace river country during the election campaign, why is there no mention made in the Speech from the Throne of the necessity for an outlet for the Peace river country?

Mr. CAMPBELL: Is the comparison the hon. member is making fair? The money for the Hudson Bay railway has already been provided by the sale of western lands.

Mr. FRASER: If the money is provided, why mention it in the Speech from the Throne?

Mr. CAMPBELL: I do not understand.

Mr. FRASER: Why put it in the Speech from the Throne if the money is already provided?

Mr. CAMPBELL: The money is in the treasury of the country, and, of course, has to be expended by the treasury of the country, but actually no money will be taken from the federal treasury for the construction of the Hudson Bay railway.

Mr. FRASER: The hon. member may have better information than I have, but I cannot see how you are going to construct the Hudson Bay railway without spending money. The money must be provided.

The House has been very indulgent, Mr. Speaker, and I do not wish to try its patience too far. In conclusion, I would like to issue a warning to my Liberal friends and to the different groups in this House. I challenged the hon. member for Comox-Alberni (Mr. Neill) yesterday that he was afraid of another election. I think all hon. gentlemen opposite are afraid of another election. I think they are scared to death that they will be all wiped off the face of the earth in another election. It reminds me of a situation that is described in Burns' Tam o'Shanter. You will remember, Mr. Speaker, that the hero after a night's carousel is going home at the witching hour of midnight, as they call it in Scotland. It was a stormy night, with wind and rain, and riding his good nag through the woods, the hero had to pass a church, surrounded by the usual churchyard. Approaching, he saw streams of light coming from the windows, and emboldened by the forty-rod which he had been drinking, he rode up to the windows and looked in to see what was going on, for in addition to the lights, sounds of merriment were coming from the church. Looking in he saw a dance of witches in progress. He was very much interested; in fact, he became so excited that he gave vent to an exclamation of delight at the performance he saw going on in the church. The lights were immediately extinguished, and the witches were out after him. The hero had to make quick steps to get across a stream nearby, and then, of course, he was safe from the witches. As he was making for the stream Burns apostrophizes him thus:

> Ah, Tam! ah, Tam! thou'll get thy fairin'!
> In hell they'll roast thee like a herrin'!

[Mr. Campbell.]

I think, Mr. Speaker, that illustrates the attitude of hon. gentlemen opposite towara an election.

Mr. W. T. LUCAS (Camrose): Mr. Speaker, I do not wish to detain the House at any great length at this particular stage, but owing to the fact that I voted against the Australian treaty when it was before the House last session, and owing to the fact that I stressed the unfairness of this treaty during my campaign I feel that it is only right, in fairness to myself, before casting my vote on the motion before the House and the amendment to it, to at least make some explanation indicating clearly where I stand on this matter.

But before doing so I wish to draw attention to certain remarks made during the debate by the hon. member for East Calgary (Mr. Davis) and to correct a mis-statement on the part of the hon. gentleman. I listened very carefully to the remarks of my hon. friend and I must say that I was impressed with the fact that he had apparently given a great deal of study and thought to the subject matter. Furthermore, the whole tenor of the hon. gentleman's remarks was very fair and impartial. But he made this statement, as reported at page 878 of Hansard with respect to Mr. H. W. Wood, president of the United Farmers of Alberta to which I must take exception:

> At the convention of the United Farmers of Alberta held a couple of weeks ago, Mr. H. W. Wood, the president of that organization, said:
>
> "We are inviting immigrants to come here, and at the present time conditions for that purpose are better than they have been for some time. It will mean that the people will have to pay from five to ten cents on every bushel of wheat they raise. If they do they would be of such mental calibre that we would not want them. We must fight this infernal thing to death, and if we cannot do it in any other way we must appeal to the immigrants of other countries and say, 'For God's sake do not come here.' "

Then the hon. member for East Calgary proceeded to say:

> I mention these circumstances so that the government may have full knowledge of the feeling prevailing in the western provinces with respect to any immigration policy.

I feel, Mr. Speaker, that the hon gentleman did not want to be unfair. Hon. gentlemen will see that the impression given is that Mr. Wood was directing his remarks against immigration. I have here a verbatim report of what Mr. Wood really did say and I ask the permission of the House to place that statement on Hansard so that hon. members will have the correct version of Mr. Wood's remarks before them. Before reading the excerpt I may say that Mr. Wood was

not speaking of immigration, but as president of the Alberta wheat pool he was dealing with the question of an export duty on wheat:

To me the greatest peril that we are facing immediately, and it will be the most infamous crime that was ever committed in the country in my opinion, and that is an export duty on our wheat. Now that thing is very, very visible on the horizon just now.

An export duty means just one thing, it means—and it don't mean anything else—that we go down in our pockets, or we don't because the money never gets to our pockets; but we pay just so many cents a bushel to the Canadian millers on every bushel of wheat that we raise in Canada.

Robbery, yes a straight unqualified theft, but done through legislation. Now we had some very valuable advice yesterday about not going to the government to get the government to solve our problems for us. "Attend to your own business," and that was as good advice as we ever had. But that advice would be infinitely more valuable to Canada and to humanity if it were given to other people as well as us. Now we are inviting immigration to this country and it is beginning to look like we could honestly do so, because I am not sure they would not be able to make a living here if things go on as they have been going. But suppose we say to them, "If you come to these great wheat fields of western Canada and begin to raise this wheat, in addition to all the natural difficulties that exist, we would expect you to pay to the milling industry of Canada 1, 2, 3, 4, 5 or 10 cents a bushel on all the wheat you raise." Do you suppose they would come? If they do they would be of such mental calibre that we would not want them.

Now, that don't only mean that they want to take anywhere from five to forty million of dollars a year out of the wheat producers of Canada, but it means also that they want to create a false position where it will be necessary to maintain that and to increase it.

I heard a manufacturer on the train the other day. in the smoking compartment, where all the problems of the nation are solved—who told about when Grover Cleveland was President of the United States they reduced the tariff on certain things and put certain industries out of business.

I am satisfied that that was true. I don't know the details. But why did it put them out of business? Because they (the manufacturing industry) had been built upon an absolutely false basis. That false basis was created by legislation, and when you begin to remove that false scaffolding and let it down to an honest, true basis, it could not stand; it had all been falsely developed.

Now to put five or ten cents a bushel export duty on Canadian wheat, and instead of having a milling capacity of 90,000,000 bushels as they milled last year, you will soon have developed a milling capacity of 350,000,000 bushels and you cannot sustain that without a continued theft from the producer. They will ask for increases, saying. "Here is a great industry that we have built up here and must be sustained."

Now I only want to say one thing more. We want to fight this infernal thing to the death, with every means at our command.

Mr. DAVIS: Mr. Speaker, may I—

Mr. LUCAS: I ask the hon. gentleman to let me finish the statement, there are only a few more words:

And if we cannot successfully fight it any other way, we must appeal to the emigrants of every country in the world, "For God's sake don't come here and get involved in this infamous thing."

It will be evident from the quotation from the speech of Mr. Wood which I have read that his remarks had nothing whatever to do with immigration.

Mr. DAVIS: I desire to state that the quotation I used was taken from the Calgary Herald of January 20 last and was published on the first page of that paper. If my hon. friend will look at the revised Hansard he will see that the source of the quotation is given.

Mr. LUCAS: I accept the hon. gentleman's statement. As I have already said his whole speech was couched in a very fair manner; I feel that he did not want to be unfair. However, the report of his remarks in unrevised Hansard did not give the authority for his quotation, and I simply took the opportunity to present the correct information as I have it here. Had the hon. gentleman stated in the first place that the quotation he gave was taken from a paper it would have relieved him from responsibility.

Let me now deal for a few minutes with the Australian treaty. While that treaty is not specifically mentioned in the amendment before the House there is no doubt it is one of the treaties under fire at the present time. When the treaty was brought down I felt that it was unfair, especially to the agriculturists of Canada. I may say that I listened with a great deal of interest to the figures given by the hon. Minister of Finance (Mr. Robb) the other night as showing the trade between Canada and Australia. Those figures are as follows:

	Imports from Australia	Exports to Australia
1917..	$ 762,113	$ 6,549,546
1919..	4,963,446	14,019,629
1920..	1,371,775	11,415,623
1921..	791,980	18,112,861

A question that has occurred to me, Mr. Speaker, is, why we were concerned about going down to Australia to secure a treaty at all. The foregoing figures would indicate that Australia was the one that should have been concerned about sending representatives to Canada for that purpose. Seeing that Australia was not worried about the existing trade conditions I do not think it was wise for Canada to negotiate a treaty with that country especially when in order to make a bargain, the agricultural industry had to be sacrificed to such an extent. We feel as producers that we have been hit in two ways. An import duty of three cents a pound was placed on raisins, which means raising the price to us as consumers, and then the duty was taken off the products we had to sell; in that way we have been hit both going and coming. The

hon. Minister of Public Works (Mr. King, Kootenay) last night made a very fair and reasonable request in my opinion, and that was that the treaty should be given a fair trial before asking for its annulment. With that I heartily agree. This treaty was negotiated with Australia and passed last year. True there is a clause in it, No. 5, which provides that by order in council any other of the British dominions may be admitted to the provisions of that treaty. Generally, as I understand it—I may be wrong—treaties are made for a period of years, but in this case no period of years is mentioned, but a statement is made that the treaty may be abrogated by giving six months' notice. Judging from that provision, it would appear to me that the whole thing was more or less of an experiment, and in my opinion the government would have been very well advised to have confined this treaty to Australia for one year before extending its provisions to the other dominions. If, at the end of that year, we found the treaty was to our advantage we could then extend it to other dominions. If we found it was not to our advantage we would have to deal only with Australia in abrogating it. However, the government saw fit, before the treaty came into operation, by order in council to extend it to New Zealand, and for this I do not hesitate to criticize them. However the deed has been done and as I wish to be reasonable I believe that Canada, as a nation having negotiated this agreement with another sister dominion, we should be fair enough to give it a trial for at least one year.

Now, while I opposed the treaty last year and while I opposed it in my camapaign, I desire to make my position clear in regard to the stand I shall take on this amendment. The amendment does not ask for an abrogation of the treaty, nor do I believe we could amend it, and if this treaty should come before the House at some future time—and I think in fairness it should not be brought up for another year, I would be quite willing to deal with it on the information then before us. But, connected as it is with the Speech from the Throne, and not being able to deal intelligently with it at the present time, I feel that I cannot support the amendment now before the House.

Mr. JOHN EVANS (Rosetown): I did not intend to take part in this debate, but seeing that so many things have been said which I think have given rather a wrong impression in the country, I feel that I should answer one or two allegations. There is before the House now an amendment to the motion for an Address in reply, which is supposed to serve more than one purpose. Our friends who have moved it and who have spoken to it at some length are carrying on a campaign which is camouflaged party strategy. The amendment in the first place is supposed to put the group to which I belong in a false position before our electors, because my Conservative friends cannot gracefully accept the decision of parliament as to who is to carry on the government at the present time. The other object of the amendment, as I view it, is to persuade the agriculturists of Canada to accept the price-fixing power, or supposedly price-fixing power, for their products, so that an excuse will be had for the manufacturing and distributing combines to increase the price-fixing power which they already have. That is, for the sake of immediate gain to themselves, our workers and consumers generally are to be fleeced of their earnings and the agriculturists of their dues by having to pay enhanced prices on all the commodities which they need to purchase.

A good deal has been said regarding the Australian treaty. The Australian treaty, like all trade treaties, is a one-sided piece of legislation, and I venture to say to-day that were it possible for the farmer, and particularly the producer of butter, eggs, poultry and other things of that nature, to take advantage of the production which covers those articles now, neither the manufacturer, distributor nor politician would want the farmer to receive fair play or to obtain the protection for his products which they are now seemingly anxious to give him. The member for South Oxford (Mr. Sutherland) is at variance entirely with all economic laws, to say the least. Were it possible to protect the farmer, the government would have to pay him an amount per pound for his product equal to the protection or price-fixing power which the trade penalties give to the manufacturer, and which is always passed on to the consumer. To give the farmer any protection this would be necessary, because all his products have found their price in the open markets of the world. Will the protectionists do this? I say no, they cannot, and if they could the circle again would soon be complete, because the price of doing anything else would be increased. Whether it was surgeon, physician, mechanic or organized labourer even that gave the farmer any service whatsoever, the cost would be passed on and the farmer would find himself very soon in the place where he started. The end would be that he would be compelled sooner or later to join in the plaintive whine that goes on in this House year after year on behalf of protection for the manufacturer, and

this seems to be very largely the purpose of the amendment.

I say you cannot protect the farmer. All he asks is that the other industrialists shall get off his own back. It used to be that those enjoying the benefit of import penalties persuaded the workingman that protection would give him high wages and a full dinner pail. The labourer has already found out that all they care about him is to have plenty of men seeking work at the factory door each morning. They are trying to persuade the farmer that if he would only agree to higher protection for the manufacturer, he would have his own product increased in price by protection. This cannot be done while we are producing for export, and every bit of increase in the tariff must make it harder for the farmer to produce at a price at which he can compete in the world's market. The protectionists in this House no doubt hope to place us in a wrong light with our electors, but we are supporting the government on a programme of legislation of benefit to the agriculturist and the people generally. Indeed, much ridicule has been thrown at this group by the press, by anonymous letters, and by debate in this House; but had the Conservative party been sincere in their criticism of the Australian treaty and their professed concern for the welfare of the agriculturist, they would have attacked the Australian treaty from another standpoint altogether. They would have attacked that part of it which places a duty of three cents a pound on raisins, seeing that the bulk of what we use in Canada comes, not from Australia, but from other countries to which no preference in the tariff is shown. I suppose that Australia will not be able to send us this year more than a one-twentieth part of what we shall need. Whatever we may get from Australia duty free will benefit only the importer or the big dealer; the benefit will not be passed on even to the retailer, much less to the consumer. The strange thing is that I do not hear our Conservative friends attack this part of the treaty, the part that will most affect the manufacturer, by raising the cost of living, and will as well put further out of line the cost of production on our farms. But as long as there is a penalty placed on anything that we have to import, the protectionist advocate always thinks it is all right because he is himself blinded by the prospect of the immediate gain he thinks he will get when the government agrees to tax what he is particularly interested in. Indeed, consistency and fair play are terms that cannot be applied to men advocating a tax on foodstuffs.

The hon. member for East Calgary (Mr. Davis) the other day, when purporting to quote me from page 488 of Hansard, was really reading a quotation from Sir Richard Cartwright. But I do not want to apologize for Sir Richard Cartwright; his arguments were unanswerable at the time. I still believe that every kind of protection is robbery, yes, legalized robbery, just as Sir Richard Cartwright said it was, and, indeed, it is quite plain to-day to anybody who looks into the matter that if it was not possible under the system of protection to obtain something for which no return was given, protection would die a natural death in about the time it takes to tell the tale. They say it will look after the unemployment question. It has never done it. They say it will give us a home market. That is only a joke. The hon. gentleman quoted from Hansard showing that the agricultural industry had been subsidized by large sums of money, and he cited some sums paid for travelling expenses of inspectors and others on educational work. How he can call this a subsidy to the industry, I do not know. To pay travelling expenses for inspectors or educational speakers is not subsidizing the industry. I would like to know what he has to say regarding travelling expenses for hon gentlemen going to the ends of the earth to negotiate trade treaties for the sake of other industries. What has he to say regarding the salaries and expenses of prevention officers in every manufacturing country that sends manufactured goods to this country? In the interest of our protected manufacturers there is an army of men following up every shipment of goods made to Canada in order to see that the invoices are not falsified and that the goods are not sold cheaper for export than they are in the country of origin. Indeed, our own preventive service last year cost us between $300,000 and $400,000. But can the hon. gentleman point to one dollar the farmer has ever received by enhanced prices on his products on account of the tariff? Is there any product on the farm to which any existing tariff can be applied by way of protection? Is there any commodity the farmer needs to buy that is not affected by trade penalties in the interests of manufacturers? The hon. gentleman mentioned the sum of $63,646 spent in 1923 for educational work as a subsidy of enormous extent. Why, the bounty paid for the production of crude petroleum alone last year was just equal to that, besides $2,500 for the administration of that act. The bounty on copper bars and rods paid to one company last year was

just $15,000, besides a duty of ten to thirty per cent on the products of this metal, which duty the consumers must pay. The salaries of the minister, deputy and staff at Ottawa alone of the Customs department last year amounted to over $534,000. Drawbacks paid in 1925 on material for use of manufacturers on exported goods amounted to $10,420,019, and drawbacks on goods consumed at home amounted to $1,533,175, or a total of $11,953,-294 in drawbacks alone. There was a total expenditure in that department of $22,018,007. But this is only a small part of what it has cost this country to give manufacturers a price-fixing power on their products, which price the consumer must pay. I find that General Motors of Canada, at Oshawa, Ontario, one company alone, received a drawback of $2,165,107, while we have to pay over thirty per cent too much for our motor cars because of import penalties. But that is only one company out of 132 that benefits under this drawback, and yet the hon. member quibbles about the name that should be given to such a nefarious system. Yes, I say robbery, robbery as true to-day as it was in the days of Sir Richard Cartwright.

But let us go back and take a glance again at these drawbacks. Not only did we spend nearly $12,000,000 of public funds to enable the manufacturers to scour the world for raw materials, but we have maintained on the free list practically everything they need to use in their factories. I say public funds, because since the policy of this country is one of protection that money is taken out of current revenue without a doubt. They tell us that free trade is a myth; but when it comes to the point where they themselves are obliged to purchase supplies the manufacturers are all free traders. The tariff schedule is perhaps the most one-sided piece of legislation extant to-day. I question if there is in the whole world a piece of legislation that so completely delivers one class of the people over to another to be exploited, a class whose interests have become by legislation of privilege entirely out of line with the interests of the rest of the people. On pages 66 and 67 of the Customs Tariff we find a whole list of articles on the free list. I would invite hon. gentlemen to peruse this book and see the one-sidedness of the whole thing, the discrimination against the agriculturist and the consumers of the country in general. Take pages 93 and 97 again, dealing with manufacturers' supplies, or pages 98 to 100 inclusive with reference to drawbacks, and you will realize how utterly unfair and one-sided the tariff system is. We tax ourselves to give the manufacturers an advantage; surely then it is not too much to expect that their raw material shall be purchased at home so as to give employment to our working men. But such is not the case. This Customs Tariff provides that our manufacturers shall enjoy all the advantages possible to enable them to scour the world for the cheapest raw material while our own raw material and our natural resources go undeveloped, although we tax ourselves for the sake of the manufacturers. We maintain on the free list even importations of iron and steel, the product of foreign mines, while the suppliants of privilege in this House prate about a home market for the farmer. What with bonuses, bounties, tariffs and other things, we have given millions for the production of steel in our own country, and yet in the very place in this Dominion to-day where working men are starving there is a company who have benefited by the system of protection and bonuses and bounties and free raw material, importing these things to work in their own smelting furnaces. We have scoured the whole world for scrap iron, old steel, old rails, and so on, importing them free under item 775 of the tariff, while the people have to pay from 20 to 35 per cent for the products made from these metals. I would advise hon. gentlemen to consult items 414 and 417 which I will not detain the House to read just now.

Our manufacturers do not believe in their own policy. By protection they have driven the cost of doing anything in this country out of line with world prices, and to-day they find it cheaper to import their own raw material than to secure it in this country. Then they come here and claim protection under the tariff to look after the working man. What a fallacy. In this parliament we have suddenly become aware somehow of the fact that the farmer is not sufficiently protected, but I say that the farmer needs to be delivered from those who would protect him. The truth is that the price-fixing power hitherto enjoyed has become useless in defence of the labour organization, and that is the cause of the feverish anxiety for immigration to-day. It is argued that if the farmer would only demand protection it could be used as a fulcrum for the political lever to pry a little more privilege out of the people. The hon. member for Nanaimo (Mr. Dickie) yesterday deplored the sending of natural products from Canada to other countries, but I would point out that this goes on only in proportion to the extent of the want of enterprise and patriotism on the part of our industrialists and capitalists. For instance, the

desire for an export embargo on pulpwood is prompted by the desire to have the pulpwood producers delivered over to the manufacturer; all our manufacturer needs to do is to bid a better price for the raw material. And the desire for an export embargo on wheat is prompted by the same selfish longing to have the producer of wheat at the mercy of the Canadian miller. The Canadian miller never asked for this until the farmer formed his own co-operative marketing scheme by which he could better look after his higher grade. The one thing that protectionists need to learn is that the word "wealth" is significant only when our natural resources are in course of use and enjoyment by the people. To hamper your competitor in order to increase your own wealth is a fallacy, because it always restricts the purchasing power of the home consuming public. Our protectionists have fallen into the same error as the working men did when they tried to prevent the introduction of labour-saving machinery. It is all restriction; but then it is the boast always of the conservative that he ever remains the same. A very illuminating address was delivered lately to the National Council of Farmers' Co-operative Marketing Associations at Lee House, Washington, D.C., by a Professor Macey Campbell of Cedar Rapids, Iowa. He points out that the discrimination against the agriculturist by the protective system of the United States is undermining the life of the whole nation. I want to read one or two paragraphs from the report of his address:

Dr. Campbell quoted records of the United States census bureau showing the steady increase in the percentage of landless tenant farmers. In 1880 the percentage was 26; in 1900 it had increased to 35 and in 1920 to 38. Seven states, he said, now have reached the 50 per cent mark, while in two states more than 50 per cent of the farmers are landless.

Landlessness by the mortgage route also is steadily increasing Dr. Campbell asserted, quoting statistics to show that in 1890 28 per cent of the farmers were encumbered by mortgage, that in 1920 over 40 per cent were so encumbered, and that now farm mortgage indebtedness in the United States has reached the tremendous total of seven thousand million dollars. He says:

While mortgage indebtedness has been increasing, the farmers' equity in these mortgaged farms has been decreasing, with the result that while in 1910 it was 72.10 per cent, in 1920 it had dropped to 70.9 per cent and in 1925 to an estimated 60 per cent.

As the farmer loses the ownership of his land the equity held by others increases. With the average interest rate on farm mortgages standing at 6 per cent, and the average income from farm lands at 3 per cent, there seems little hope of paying off the $7,000,000,000 of farm mortgages. The ownership of mortgaged farm lands is passing into the hands of persons who live largely in towns and cities.

This leads one to ask, Sir, if at an interest rate of 6 per cent farm land in the United States is going so rapidly out of the hands of those who use it, what must be the condition in this country, particularly in western Canada, where our average rate of interest runs to 8, 9 and 10 per cent, and sometimes over. This has made necessary the cry for cheap money for agricultural purpose, but I predict that unless some of the handicaps are removed from our basic industry, even an agricultural credit scheme will in time also become useless. Let me quote another paragraph from Dr. Campbell's address showing the discrimination against life on the farm. He says:

We who are engaged in education judge of the attractiveness of life in the rural communities as compared with life in the cities by the conditions we find in the homes and the schools. Recently my work brought me into close contact with the homes and schools in the South, in the Dakotas, and in the city of Detroit. I saw barefooted white mothers and children at work in the cotton fields beside the men trying to make cotton enough to carry them through the year. I found a white school operating but two months during the entire year in a bare shack with two windows. The teacher had no preparation above the rural school. Children sixteen years old were in the third grade. They had had no more months of scooling than many children have in the cities by the time they are eight.

Here is a further paragraph from his address:

In reply to my questions concerning conditions in Detroit, I received the answer. "Our big organized industries bring in sufficient profits that we are able to support schools like these for our children." I saw more good, modern homes in Detroit in three city blocks, occupied by the families of working men, than I saw in an eight hundred mile drive among the farm homes in the entire state of South Dakota. The memory of those barefooted women in the cotton fields of the South haunts me still.

To-day by co-operation we are trying to alleviate some of the unsatisfactory conditions we find on our Canadian farms. The hon. member for Frontenac-Addington (Mr. Edwards) the other day quoted some information he had received regarding the working of one of our co-operative companies, and he charged that company with exploitation of the farmer, stating that while the duty on a certain farm implement was $22.80, the company was charging the farmer $38.30. I am very glad, Sir, to have the opportunity of correcting the entirely wrong impression which the hon. gentleman gave the House. These are the facts. As indicative of the discrimination against those engaged in the basic industry of this country, I want to say that under the rules of our distributing combines

a co-operative company is classed merely as a consumer. That rule to-day is recognized in the administration of our tariff legislation. Under this rule a co-operative company is forced to go to a foreign country and buy its requirements, but at once the Canadian combine steps in and, on the ground that the co-operative company has gone past the wholesaler, the jobber, the dealer and the manufacturer, applies under the Dumping Act for the imposition of a penalty equal to the profits of all these concerns in between. Our co-operative companies, I repeat, are classed only as consumers, irrespective of the volume of business they do or what they distribute. Is that fair? Is there any British fair play in that, Sir? I would respectfully ask this House to consider this unjust discrimination before any further legislation along this line is passed. Is this fair play to the working men and women of this country, to those engaged in our basic industry?

I think, Mr. Speaker, it is time that we emphasized the disparity between life on the farm to-day and in the city, and the state of slavery that our men, women and children are subjected to in their attempt to keep themselves above the line of want. I believe it is the patriotic duty of men in Canada occupying positions similar to that occupied by Dr. Macey Campbell in the United States to make known the discrimination against our rural life lest we sink to the level of the conditions he has described as prevailing to-day in some of the finest states of the union. What he has described, Sir, is the result of the system upon which we are exhorted to base our fiscal policy by hon. gentlemen who advocate protection, and who are willing that those engaged in our basic industry may suffer degradation as deplorable as that witnessed by Dr. Campbell if only they themselves can reach immediate wealth at the expense of their unfortunate fellow-Canadians.

Hon. J. W. EDWARDS (Frontenac-Addington): Mr. Speaker, representing a constituency in which the people are engaged in mixed farming and are especially interested in dairy production, I desire to give my support to the amendment which has been proposed with characteristic ability and attention to detail by the hon. member for South Oxford (Mr. Sutherland), than whom no more sincere or better qualified champion of the farmers of Canada has had a seat in this House during the last twenty years.

I support the amendment proposed by the hon member for South Oxford for the reasons stated in the amendment—that the Speech from the Throne proposes no remedial legislation to alleviate the injustice under which the farmers of this country are suffering at this time, and have been for many years. I support the amendment also in order to indicate my lack of confidence in a government in which sixty per cent of the people have said they have no confidence, in which the members of this House have indicated they have no confidence—a government, in addition, which has indicated its lack of confidence in the members of this House, as well as its lack of confidence in itself. I also support the amendment as a protest against the manner in which two hon. gentlemen of this House have presented demands on this government and against the acquiescence of the government in those demands—demands the compliance with which constitute a supplement to the Speech from the Throne, demands which are subversive of the very fundamental principles of responsible government, demands which indicate the desperate character of those presenting them and the desperate necessity, pitiable weakness, and lack of dignity on the part of the government acceding to them.

On the 29th of October last the government appealed to the country for reasons plainly stated by the Prime Minister in his Richmond Hill speech. In that speech he stated that he wanted a more definite mandate from the people of Canada. In that speech he stated that the government would no longer be justified in merely marking time and drawing their salaries, that four years of simply marking time and drawing their salaries was long enough. He asked for his mandate; the election was held, and his party now finds itself in this position: the Prime Minister defeated, half of his cabinet defeated, and the membership of his following in this House reduced by some sixteen as compared with its standing in the previous parliament. But notwithstanding those facts, notwithstanding the fact that practically sixty per cent of the people of Canada by their votes on the 29th of October declared they had no further use for this government, the remnant of this government nevertheless comes back here and undertakes to carry on as a government, and then it presents the pitiable spectacle of influencing members of other groups to give them their support in order that they may be able to carry on. They further indicate their lack of confidence in themselves as a government, or their lack of confidence in the merits of the legislation they propose, when they ask this parliament to give them a recess of five or six weeks in order to reorganize the government.

I said, Mr. Speaker, that I would vote for this amendment also as a protest against the manner in which two hon. gentlemen of this

House, representing less than two per cent of the membership of this House, have made demands upon the government for certain legislation, which the government has agreed to bring down. On 7th of January, as you will find by referring to page 560 of Hansard, the hon. member for Winnipeg North Centre (Mr. Woodsworth) sent to William Lyon Mackenzie King, to the right hon. leader of the opposition (Mr. Meighen), and also to the hon. member for Brandon (Mr. Forke) who is leading the Progressives in this House, a letter in which he asked the question:

Is it your intention to introduce at this session legislation with regard to (a) Provision for the unemployed; (b) Old Age Pensions.

Those letters were sent on the 7th of January. On the 8th of January the hon. member for Winnipeg North Centre gets up in this House and declares that his little group—I use his own words—

—are so placed as to be able almost to say which of these two sides—

That is to say, Liberals or Conservatives:

—is to carry on the government of the country.

I think the only inference from that is that it was a very plain indication to the government that they had better come across and favour the proposals demanded; otherwise there might be unhealthy consequences for the government. The letter sent to the right hon. leader of the opposition was answered on the 9th of January, and, as we would expect, the answer was clear-cut and to the point. There was no bidding in the answer sent by the leader of the opposition. Following the letter sent to the Prime Minister, the hon. member for Winnipeg North Centre says that he had an interview with Mr. King. At that interview, recognizing the desperate position in which the government was placed, the hon. member for Winnipeg North Centre and his colleague pressed for further legislation. Their additional demands referred to the Naturalization Act, the Criminal Code, and the Immigration Act. They received no answer from Mr. King. Then came the vote in this House on the 14th of January, in which the government was sustained by a majority of only three. Evidently the member for Winnipeg North Centre thought that was a favourable time to press for something definite from the leader of the Liberal party. Apparently he was not satisfied to accept the verbal assurances of the leader of the Liberal party in regard to this legislation. He asked him to put his views in writing. The hon. member very frankly says that this method which he has pursued of finding out what the various parties think with regard

5 p.m.

to proposed legislation is perhaps somewhat novel in this House. Yes, Mr. Speaker, it is a somewhat novel procedure, and one which I think should not be encouraged. On the 28th of January Mr. King writes to the member for Winnipeg North Centre agreeing to his demands, which, I repeat, constitute a supplement to the Speech from the Throne, and constitute also an unblushing bid for support. On the morning of the 29th of January the hon. member for Winnipeg North Centre says he received that letter from Mr. King, and on the afternoon of the 29th he rises in his place in this House and puts that letter on Hansard, with these words:

It seems to me—

Says the hon. member for Winnipeg North Centre:

—that we must be very grateful indeed that the peculiar combination of circumstances which we find existing in the House at this time has seemingly made it possible to place upon the statute books long over-due legislation in the interests of some of the most needy but least influential elements of our population.

Those were the words of the hon. gentleman in regard to the course which he had pursued. May I point out, Mr. Speaker, that it was in a somewhat similar manner that the celebrated Robin Hood took the purses from the rich at the point of a pistol and distributed their contents amongst the most needy but least influential members of the population? The motive inspiring Robin Hood, the bandit, and the hon. member for Winnipeg North Centre, may do credit to their hearts; but I submit, Sir, that the method is one which would have placed the noose round Robin Hood's neck if they had caught him.

Mr. FORKE: Did Robin Hood use a pistol?

Sir HENRY DRAYTON: That is a poor picture.

Mr. EDWARDS (Frontenac-Addington): Perhaps he used a bow and arrow. My hon. friend must take the language as figurative. At all events I am right in saying that he used force in obtaining the wealth of the richer people and distributing it among the most needy of the population. I do not know how to characterize what is proposed by the hon. member for Winnipeg North Centre under the Criminal Code.

Mr. HEAPS: Would you call old age pensions robbery?

Mr. EDWARDS (Frontenac-Addington): No I have no intention of the kind.

Mr. HEAPS: The inference is there just the same.

Mr. EDWARDS (Frontenac-Addington): The inference I want the hon. gentleman to take—and I think he is intelligent enough to take it—is this: That in the case I referred to the bandit used force, took advantage of circumstances, to obtain what he wanted whether he was entitled to it or not; and the plain inference from my remarks is that the hon. member for Winnipeg North Centre and the hon. member for North Winnipeg (Mr. Heaps) have done exactly the same thing. I want to tell them that in my judgment such methods are absolutely subversive of the very first principles of responsible government.

Now, the hon. member for Brandon (Mr. Forke) asked me a question. We are told that many long years ago a gentleman named Cincinnatus was twice taken from between the handles of the plough and conducted to Rome as dictator, and with the help of the Roman legions performed some wonderful achievements. I believe, on looking over the record, that the hon. member for Brandon has twice been taken from the handles of the plough, brought down here, and is in the position of dictator to the government at the present time. I dare say that with the help of the legions across the way he will be able to perform achievements even greater than those performed by Cincinnatus.

The present situation in this House, which has been brought about by the government's greed for office, is nothing more or less than a two-ringed political circus, with the hon. member for Brandon as the ringmaster cracking the whip and obliging hon. gentlemen opposite to dance to his music. Well, every circus, of course, has its clown, its fun maker, and it is almost unnecessary for me to say who occupies that position in this particular political circus. We all appreciate the fact that the central actor in this political vaudeville is the hon. Minister of Agriculture.

Mr. MOTHERWELL: Thank you.

Mr. EDWARDS (Frontenac-Addington): I wish to say that I would be remiss in my duty if I did not express to that hon. gentleman my thanks for the entertainment he has provided for the amusement of the members of this House—my appreciation of his magnificent humour and of the grotesque verbiage in which he clothes that humour.

Some hon. MEMBERS: Order.

[Mr. Heaps.]

Mr. EDWARDS (Frontenac-Addington): What is wrong about that?

Mr. MOTHERWELL: Let him go on. It is a free country.

Mr. EDWARDS (Frontenac-Addington): The situation, Mr. Speaker, strikes me as one of the greatest farces ever staged in any deliberative assembly in this or any other country. The Minister of Public Works (Mr. King, Kootenay) the other day quoted a number of figures in regard to the paper industry, the transportation of grain by our railways, and so on. He also declared that the government had given very strong evidence of economy in administration, and so forth. He did not call attention to the fact that the government had paid out over $75,000 to a pulpwood commission, or $167,000 to a grain commission.

Mr. KING (Kootenay): All of value.

Mr. EDWARDS (Frontenac-Addington): Nor did he call attention to the $181,000 spent on radio outfits.

Mr. KING (Kootenay): All of value.

Mr. EDWARDS (Frontenac-Addington): "All of value," the hon. gentleman says. Nor did he call attention to the $270,000 paid out in providing golf courses for the entertainment or amusement of those gentlemen who have wealth enough to travel up and down the country with a bag of sticks under their arm and play with a little round white ball whenever they feel like doing so. Nor did he call attention to the Scribe hotel facts, closely connected with our railway arrangements. He did not point out that they paid to a gentleman called Aronovici $16,250 for thirteen months work, $9,291 for expenses or pocket money, and then gave him a bonus of $7,500 besides, a total of $33,041 to that gentleman, or an average of $85.75 a day for his work. These are the evidences of economy on the part of the government opposite.

But there is more. Between 1917 and 1920, both years inclusive, the Conservative government collected in special war taxes $179,939,000. That was denonuced in the strongest possible terms by hon. gentlemen opposite, but in the next four years—1921 to 1924 inclusive—those hon. gentlemen collected $709,540,000 from the same source, or $529,000,000 more than was collected by those whom they formerly condemned. The total taxes collected during the period from 1917 to 1920 under the Conservatives were $1,156,000,000, or an average of $289,000,000 a year. That was denounced by hon. gentlemen opposite. "Put us in power," they said, "and we will reduce

the expenditure." In the next four years they collected $1,628,000,000, an average of $407,000,000 a year, or $118,000,000 more per year than was collected by those whom they condemned. I will call attention to this fact, which should not be lost sight of: that the Conservative government in the period from 1917 to 1920 made these expenditures: $164,000,000 for soldiers' gratuities; $102,000,000 in connection with the Department of Soldiers' Civil Re-establishment; $80,000,000 in connection with soldier settlement on the land; $10,000,000 on technical education, $7,000,000 on soldiers' insurance; a total of $363,000,000. Most of that expenditure was needed and was incurred before the Liberal party came into power.

Mr. McLEAN (Melfort): Did that money come out of revenue, or was it borrowed money?

Mr. EDWARDS (Frontenac-Addington): It does not make any difference whether it came out of revenue or was borrowed money.

Mr. McLEAN (Melfort): Did it come out of taxation, or was it borrowed money?

Mr. EDWARDS (Frontenac-Addington): It came out of the treasury of this country. If you borrow money I suppose you intend to pay it back some time; or do hon. gentlemen opposite not consider that a debt or obligation? What difference does it make? The facts are there for everybody to draw their own conclusion. The net debt in 1921 was $2,350,000,000. In 1925 it had grown to $2,417,000,000. If you add to that the guaranteed railway bonds in 1924 and 1925, amounting to $118,000,000, it made the debt on March 31, 1925, no less a sum than $2,535,000,000. This is the record of the government which tries to speak of the creditable manner in which it has conducted the finances of this country.

The hon. member also said, if I understood him correctly, that the Conservative party was responsible for our railway problem, in that it was under the Conservatives that the railways were amalgamated. My recollection of it is that the amalgamation of these roads, forced upon the country, was acceded to by members on both sides of the House. There was nothing else to do. The Conservative party is in no way responsible for Canada's railway problem. The railway problem of Canada was brought upon this country by the wild spree of railway building conducted by the Liberals when they were in power between 1896 and 1911. It was the Liberal party which built the National Transcontinental and guaranteed the bonds of the Grand Trunk Pacific. It was the Liberal party which also brought into existence the Canadian Northern and guaranteed its bonds, with the exception of the bonds in British Columbia.

The hon. member also referred to Canada's favourable balance of trade. He thought that that was a good point. In some cases it might be. I take this view in regard to the favourable balance of trade: If Canada could show it had a favourable balance of trade produced by the sale of goods made in Canada and finished in Canada, I would say that that would be a good argument; but what do we find? Canada exports 73 per cent of its wood and wood products in the raw state and imports 64 per cent of those wood products in the finished state. We export 87 per cent of our metals in the raw state and import about the same percentage of those metals when they have been finished, by work on the other side of the line or in other countries. A favourable balance of trade obtained by the export of our raw materials, and especially by the export of those raw materials which can never be replaced, is not a favourable balance of trade of which we should have any right to boast.

Another matter which was referred to by the Minister of Public Works and referred to by several other hon. gentlemen is the reciprocity pact of 1911. "Oh," they say, "if you had allowed us to put that pact on the statute book it would have been a fine thing for the farmers of Canada." That is the ground they take. I take absolute issue with them in that respect. What did that pact propose to do for the farmers of this country? The reciprocity pact did not propose to reduce the duties on the implements of production used by the farmers. It left the duties on, and as a matter of fact the duties on some sixteen agricultural implements, a list of which I have in my hand, were lower in every case in 1921, when the Conservatives went out of power, than under the proposed reciprocity agreement of 1911. In this connection I call attention to this further fact—and I do so because of the reference made to it by the hon. member for Rosetown (Mr. Evans)—that while the members from the west supporting the United Grain Growers Grain Company, which was engaged in the handling of machinery, fence wire, fence posts, flour and various other articles, found fault with the duty in 1911 on binders, mowers and so on of 12½ per cent, which duty they say obliged the buyer of a binder to pay $22.80 more for that machine, they did not want to say one word against that company which was selling binders and mowers and

other machines, taking out of the pockets of the farmers $38.30 profit on a binder, $13.80 profit on a mower, and so on all down the list. While these people condemned the Conservative party, or any party that left a duty on farm implements or machinery, the United Grain Growers Grain Company of the west were exacting a profit of over 21 per cent on these very same machines, and were taking absolutely no risk whatever in regard to bad debts—because it was a cash transaction all through the deal so far as they were concerned. They stood in the same position in the buying of machines as anybody else. If they bought a mower from the United States it came over at a certain price. They claimed that the duty obliged them to add a certain amount to that price. Very well; accept that if you like; that does not justify their adding a still further 21 per cent profit for themselves. While they professed to be particularly anxious about the farmer, they were showing that in their dealings with the farmers—cash dealings in which they ran no risk of bad accounts—they were taking exorbitant profits all along the line, not only in regard to machinery but in regard to everything else.

Mr. ROSS (Moose Jaw): Does the hon. member happen to know that the Grain Growers Grain Company, even if they were taking 21 per cent more on account of duties, or whatever they took it for, sold those implements at a great deal less than the regular line companies of Canada?

Mr. EDWARDS (Frontenac-Addington): No, I do not know anything of the kind. I know that was the sworn evidence of Rice-Jones, the manager of the company, given in this building a few years ago. He stated under oath that the company of which he was manager was taking a profit on those implements of over 21 per cent. There is the plain language; there is the source of my information, and my hon. friend can find his evidence in the report in the Library, as I found it. That is my statement, and I again point out that you must take into consideration the fact that they had their men under salary at the various elevators; they were paying them anyway, and all they had to do was to write one or two letters; it was a cash transaction in every case and there was no risk of bad debts. Surely people who profess to be deeply concerned about the farmers should be content to give them the benefit of the service and let them have the machines without taking a profit of over 21 per cent on the transaction. When they were taking a profit of over 21 per cent in their own dealings with the farmers, I say it ill became them to come to this House and find fault with any government or party which was imposing a tariff of a little more than half of the profits they were taking.

The Minister of Finance (Mr. Robb), referring to the reciprocity election of 1911, said that the man who wrote "Rule Britannia" was the one who won that election for the Conservative party. I do not think he is right in that at all. The people of Canada voted as they did in 1911, not because of "Rule Britannia;" not because they were patriotic citizens of the country, but they voted in their own interests. So far as singing Rule Britannia is concerned, I hope the party on this side of the House will always take the lead in singing that grand old hymn, and I say to the Minister of Finance that he will never find this party trying to substitute any other flag for the Union Jack, either.

Some hon. MEMBERS: Oh, oh.

Mr. EDWARDS (Frontenac-Addington): Some hon. gentlemen across the floor laugh, but I am particularly serious when I say that, and I am justified in making that allusion because of what was done here about a year ago by the hon. gentleman who is leading the Liberal party in this country.

Mr. STEWART (West Edmonton): It worked well in the election.

Mr. EDWARDS (Frontenac-Addington): It was not that which worked in the election at all; it was the fact that under the reciprocity pact this was what was proposed by hon. gentlemen opposite: They proposed to oblige the farmer to pay additional money because of tariffs on everything that he had to buy and to expose him to the competition of the world in everything that he had to sell. That is the situation. Will any hon. gentleman contradict me in that? The United States in that pact opened its doors to the natural products of one country alone—Canada. That was where their competition was coming from, and many people even to-day believe that if Canada had adopted that agreement she would be opening her doors to the natural products of only the United States. That is not the case at all. Under that agreement when we opened our doors to the natural products of the United States, we also opened them to the natural products of some fifteen other countries under the favoured nations clause. I need mention only one—the Argentine republic. At that time, perhaps, competition

from the Argentine republic would not be serious—not at least as serious as it would be at the present time. But that is the fact in regard to the reciprocity agreement of 1911; and while my hon. friends opposite may say what they choose in regard to that reciprocity pact, down in their hearts they do not believe it would be a good thing for Canada. If they do so believe, then they have not the courage of their convictions, or they do not believe they have the ability to present the claims of that treaty before the people of this country—one or the other. Hon. gentlemen opposite may try to console themselves by saying that it was a mistake for the people of Canada to vote as they did in 1911, but I will venture the prophecy that they will take very good care they do not make any such proposition in any future election in Canada. They have had their lesson in that regard, and it is one which they will not soon forget.

The Minister of Finance, in his remarks the other day, said that the hon. member for South Oxford was a protectionist, but that he could not give him the same credit when it was a case of the government bringing into this country articles used in dairying. I do not know what the government has done in particular along that line. Looking over the tariff schedule, I find there is still a duty of 27½ per cent on glass milk bottles and on paper bottle caps, very extensively used. There is still a duty of twenty per cent on cans used for fresh milk or cream. There is still a duty of ten per cent on milking machines and machines for testing butter fat in milk or cream. These items are still in our tariff, and if hon. gentlemen opposite are consistent in their arguments, they should move at once to strike them out and to make all these articles free. The Minister of Finance said that when it was announced on October 21 that a considerable quantity of butter was on its way from Australia and New Zealand, prices immediately dropped in the Old Country. That was his statement as reported on page 826 of Hansard. A few minutes later, as reported on page 828, he said this:

> You cannot fool them—

That is, the people.

> —into the belief that because butter comes in from Australia and New Zealand it is going to lower the price in Canada.

How in the world does he square those two statements? Of course, this is along the line of Liberal propaganda, Liberal talk. Hon. gentlemen opposite have been for years preaching one thing in one part of the country and another thing in another part. They have arguments or statements on both sides of the question and you can take your choice.

Speaking in regard to eggs and butter from Australia, the hon. gentleman stated last year that bringing those products from Australia to Canada would cause a reduction in the cost of living in this country. Now he says that it is not going to have that effect at all. Last year he said that it would give us a cheaper breakfast table. Now he ridicules the idea of eggs coming from Australia or New Zealand at all. Last year he stated:

> We do not claim that this treaty will be of any material advantage to agriculture.

And he further stated that they were arranging with Australia for a continual flow of butter, eggs and so forth to Canada, while we send ours to England and other markets of the world. Why should the producers of dairy and farm products in Canada be forced to send the products of their labour to England and other world markets in order to sell them, while these articles are coming in under a low tariff or no tariff at all to take the place of what is grown at home and should be used? There is no doubt that that is the effect. Last year the Minister of Finance gave an illustration of the dumping clause. He referred to there being an over-supply of butter in New York and he said that there was a drop in the market because of that over-supply. What was done? Thirty or forty carloads of butter were sent to Canada; immediately the market in New York was stabilized and the price of butter fell in markets on this side of the line. I maintain that the present tariff in Canada is and has been for years unfair to those engaged in agriculture, our basic industry; that it has been made still more unfair by the treaty with Australia, and it has been aggravated by the extension of that treaty to New Zealand. The following is a statement of the exports of butter and cheese from Australia and New Zealand and Canada during the first three months of last year:

	Australia and New Zealand	Canada
Butter	102,000,000 pounds	310,000 pounds
Cheese	57,000,000 pounds	10,000,000 pounds

These figures indicate, it seems to me, what our producers of butter particularly will be exposed to in the way of competition.

Mr. STEWART (West Edmonton): Are those the winter months in Canada?

Mr. EDWARDS (Frontenac-Addington): The first three months.

Mr. STEWART (West Edmonton): The summer months in Australia?

Mr. EDWARDS (Frontenac-Addington): Yes, I am glad the hon. member reminds me of that because it seems to me still more thoroughly to emphasize the unfairness of this treaty. These are summer months in Australia when the cost of producing butter there is at its lowest and when in this country the cost of producing that article is at its very highest. Surely that should be taken into consideration.

Mr. STEWART (West Edmonton): My hon. friend is speaking of exports?

Mr. EDWARDS (Frontenac-Addington): Exports from Australia and New Zealand and Canada.

Mr. STEWART (West Edmonton): I thought it was to Great Britain.

Mr. EDWARDS (Frontenac-Addington): General exports. I understand. I think, from the minister's own statement that the distance from Australia and New Zealand to Great Britain is about the same as to Canada, and the time consumed in going to one place is the same as in going to the other. While these products will go in great bulk to the British market, the very fact of reducing the duty to one cent a pound, a negligible amount, will in my judgment have the result of bringing millions of pounds of butter of Australia and New Zealand to Canada at a time when our own producers of butter are working at great disadvantage and heavy cost and when they are entitled to special consideration because of climatic conditions.

The present government has not shown that sympathy for the dairying industry of this country that the people have a right to expect. The Dairy Products Act came into effect on April 1, 1923. Under that act there are twenty graders in Montreal drawing a salary of $2,520 each, whose business it is to grade our butter and cheese according to four standards, namely, special and first, second and third; and although the act became operative on the day I have mentioned not one single pound of Canadian butter exported in the year 1923 bore any mark of having been graded. In the year 1923 the graders graded 110,513,200 pounds of cheese for export but the grade was not stamped on one single box of that cheese. I supported the grading proposition in this House when it was first mooted. Now what was the purpose of it? It was intended to maintain the reputation of Canadian butter and cheese in the British market so that when our Canadian butter was exposed for sale there the people would know whether they were buying either special or one of the three other grades; and the same in regard to cheese. Our factory men were obliged to submit to the grading done in Montreal, but they received no protection whatever, as they should have received by means of the stamping of the grades on the butter and cheese exported in 1923. No explanation has ever been given of this failure to carry out the provisions of the act and it indicates in my opinion a lack of sympathy and a lack of efficiency on the part of the government.

Canada has made great strides in dairying. I am very glad indeed to have the opportunity of stating that men from my own part of the country, from the counties I represent in this House, have contributed greatly to enhance the reputation of Canadian butter and cheese in the Old Country market. At the Royal Dairy Show in London, England, in 1923 the first prize for colonial cheddar cheese was captured by Mr. W. C. Taylor of the county of Frontenac, in competition with makers from all parts of the world, while the third prize went to Mr. James Sprott, also a resident of my county. The same year Mr. Joseph Craig, a citizen of that part of the country, captured the first prize for butter in competition with the world at Glasgow, and in 1924 Mr. Sprott captured the first prize for cheese, Mr. A. McIntosh of Lanark second prize, and Mr. B. Avery of Kinburn third prize. In 1925 Mr. W. C. Taylor, the same gentleman who took first prize in 1923, gained first prize again with Canadian cheese in competition against the world. These gentlemen did a great deal to enhance the reputation of our products in the British market.

But I can give further proof. Our cheese in 1924 brought 6s. 2d. per hundredweight more than the top price paid for the best New Zealand cheese, while in 1925 it brought 2s. 5d. per hundredweight more than the highest price paid for the New Zealand product. In other words, in those two years, on the amount of Canadian cheese exported to the Old Country, Canadian producers, by reasons of the enhanced reputation of our product due, as I claim, to the gentlemen whose names I have mentioned, received $2,043,850 more than New Zealand shippers got, at the highest price, for the same quantity of cheese they shipped in the very same period.

In those two years we had to contend against very keen competition. As I have already mentioned, the Argentine republic is

rapidly coming to the front as a dairy country. In 1911 that republic exported only 3,000,000 pounds of butter and just 1,140 pounds of cheese. Eleven years later, in 1922, it exported 53,864,000 pounds of butter and 14,798,403 pounds of cheese. The Argentine republic has gone to considerable trouble to obtain at the very highest salaries the very best cheese and butter experts in the world. They have gone to Australia and New Zealand and captured the best men there by offering inviting salaries. The republic apparently is not affected by the American duty of 8 cents per pound on butter, as is evident from the fact that whereas in 1922 it exported to the United States only 257,000 pounds, it exported in 1923 2,323,000 pounds. Why are they not affected by that 8 cents per pound duty imposed in the United States? The reason is that they are under favourable conditions which enable them to produce butter and cheese at a very much lower cost than it is possible for us to manufacture in this country. The same of course is true of Australia and New Zealand; the cost of production in those countries is very much lower than it is in Canada. Their cattle can graze the year round and they have not much capital expenditure in the way of barns and stables; nor do they pay what we have to pay in the matter of wages.

The hon. member for Rosetown (Mr. Evans) does not seem to think that a duty is of any use at all, in that it does not enhance the price of the farmer's products. At least that is what I understood the hon. gentleman's position to be. Well, if he is right in his reasoning in that regard, that if we place a duty of 8 or 10 cents per pound on butter the effect is not to increase the price of his commodity to our Canadian producer, how does he contend that a duty or tariff on machinery increases the price of the manufactured article and has the effect of robbing the people? The rule should work both ways. It is, I know, frequently argued that the price of an article is increased by the amount of the duty imposed, but that is not economically sound. That is not the case except in respect of things that we do not produce here at all. If you put on a duty of 5 or 10 cents per pound on tea I can understand that the price of that commodity would be raised by that amount or approximately that amount, but that is not the case when you apply a duty to an article which is produced in this country. Then the law of supply and demand comes into play and the price is not raised to the full amount of the duty; it depends upon the supply available in the home market at the time.

I protest against this arrangement for the reason I shall state. It is perfectly true that in the agreement with Australia some benefits accrue to certain people in Canada; I admit that at once. I can understand that the paper men would be very much in favour of the arrangement, as would the automobile manufacturers. I do not know that we should be particularly anxious about the welfare of the automobile men—it strikes me that they have had pretty generous treatment—and I do not know but that the paper men could get along without very much help. But is it fair that the interests of our farming class, those who are engaged in our basic industry, should be sacrificed for the benefit of the paper men or the automobile men?

While we do get something for certain of our people from the Australian treaty, we get absolutely nothing from New Zealand. We give to New Zealand the same benefits as to Australia; we receive some reciprocal advantage from Australia, but none whatever from New Zealand. This is so manifestly unfair that it does not seem to me to require developing further.

But it is not merely our dairymen who are interested in this treaty. I have in my hand a resolution passed by the Vegetable Growers' Association of Ontario about the time this treaty was before the House for ratification. Allow me to place it on Hansard:

Moved by N. T. Sanderson, London No. 7, seconded by Jos. Cyr, Cyrville, that we, the Vegetable Growers Association of Ontario in convention assembled with representatives from the various Branches of the industry find it impossible to profitably compete on our own home market with the vegetable products grown under semi-tropical conditions by cheap negro, mexican and oriental labour in the south and southwestern states, the reason for this untenable condition is the unfair method of applying the tariff; the failure of the Dumping Act, to prevent dumping, and the custom of flooding our market with stale or rotten goods, with duty rescinded.

Therefore, be it resolved that we, the Ontario Vegetable Growers' Association petition the hon. the Minister of Finance through the Canadian Horticultural Council to amend the present tariff as it applies to vegetables:

We request the following tariff Schedule:

Onions 1 cent and potatoes	½	cent	per pound
Cabbage..	1½	"	"
Bunch carrots..	2	"	"
Bunch beets..	2	"	"
Celery..	3	"	"
Cauliflower..	3	"	"
Cucumbers..	3	"	"
Brussel sprouts..	3	"	"
Asparagus..	3	"	"
Fresh peas..	3	"	"
Fresh beans..	3	"	"
Lettuce..	5	"	"
Spinach..	5	"	"
Radish..	5	"	"
Tomatoes..	5	"	"
Peppers..	5	"	"

Weight of package in all cases to be included.
Carried.

That resolution, I believe, was concurred in by the Dominion organization, so it may be taken as the considered view of the vegetable growers of the Dominion. They are vitally interested.

It may be asked: Why should we endeavour to encourage our basic industry of agriculture? I reply: Because of the immense amount of capital invested in it, and because of our climatic conditions, which make our cost of production greater than that of our competitors. In 1924 we imported $45,000,000 worth of animals and animal products, and $186,000,000 worth of vegetables and agricultural products. Of these two classes we imported $113,000,000 worth from the United States alone, and I may add that $55,500,000 worth paid no duty at all, while the tariff on the balance was low and in many cases did not afford any protection whatever to our producers. Now, our exports of animals and animal products and of vegetables and agricultural products show conclusively that there is no scarcity of these commodities in this country. We exported $140,000,000 worth of animals and animal products, and $430,000,000 worth of vegetables and agricultural products. I think, Sir, that when we take into consideration that our exports of these two classes of commodities totalled $571,355,000, which is 57 per cent of all our exports, we must realize that our basic industry is deserving of every possible encouragement. I submit it is absolutely unfair that our producers should be forced to compete with similar products from other countries that have the advantage of mild climate and cheap labour.

The policy of the Liberal party, Mr. Speaker, during the last four years has resulted so far in driving out of Canada at least half a million Canadians. I am putting it low when I give that figure. This means a loss of home market to our farmers of at least 35,000,000 pounds of beef, 40,000,000 pounds of pork and 4,450,000 pounds of lamb and mutton, representing a total value of $16,300,000. That is what our farmers have lost in the diminished demand for those commodities alone by so many of our people being obliged to seek a livelihood in the States. In butter, cheese, poultry and eggs it means a loss of $13,500,000. That is, a loss of home market to our farmers by so many of our Canadians being forced to cross the line of at least $30,000,000, at wholesale prices; I believe we might add at least another $10,000,000 or $15,000,000 if we take retail prices. Surely, Sir when we consider that the total value of our dairy products in 1924 was $218,430,000, or $70,000,000 less than in 1920, we must realize that such a serious loss to our dairymen should have induced the government to tighten rather than loosen the restrictions against outside competition.

[Mr. J. W. Edwards.]

I have in my hand, Sir, a tabular statement showing by provinces the value of our dairy production and field crops for 1924, and with the permission of the House I should like to place it on Hansard, for I am sure it will be of interest to all hon. members:

Value by Provinces of Dairy Production and Field Crops—1924

	Value of Dairy Production	Value of all Field Crops
Prince Edward Island.. ..	$ 3,073,212	$ 11,990,400
Nova Scotia..	8,979,274	16,785,800
New Brunswick	7,119,861	16,080,000
Quebec..	65,925,135	139,359,000
Ontario..	87,075,286	260,534,000
Manitoba..	11,041,692	136,025,000
Saskatchewan..	17,566,406	237,310,000
Alberta..	12,584,065	159,759,700
British Columbia..	5,065,701	17,197,000
	$218,430,532	$995,235,900

In four years, 1920 to 1924, the production of milk in the prairie provinces increased by over 260,000,000 pounds, while their production of creamery butter increased in the same period by 86 per cent and of factory cheese by 351 per cent. Is this worth encouraging? Will the Australian and New Zealand treaties encourage mixed farming in the west?

It will be noted that the province of Ontario is first in the value of field crops, $260,535,000, and of dairy production, $87,075,286 With these facts confronting me, Mr. Speaker I would not be doing my duty if I did not rise in my place and enter my strong protest against these treaties. Might I ask the government to consider this phase? We have about half as many cattle as they have in Australia and New Zealand, and we have about one sheep to their thirty. The government of Australia bonuses the Australian farmer $2.40 for every carcass of beef exported. We cannot possibly produce cattle as cheaply as they can in Australia. I do not think there is a gentleman in this House who will dispute that statement. We cannot produce sheep as cheaply as they do, and by opening the doors of Canada to the meats from Australia and New Zealand, as we are doing by this half a cent a pound duty, I ask hon. gentlemen whether that will encourage our cattle and sheep men in the Dominion of Canada? In my judgment we are doing everything we possibly can do to discourage them. The same thing applies to poultry, fruits, and so forth. It is the principle of the thing that I object to.

I am very glad indeed to see by the statistics furnished by the government that dairying

is making wonderful progress in the west, especially in Alberta in the last ten years, and very rapid progress in Saskatchewan particularly in the last five years. That is a good thing, and I say I am glad to see it. I know it has been advocated up and down this country in the press and by public men generally that the western farmers should go more into mixed farming; I believe it would be in their interests to do so, so that they would not be so much dependent on the grain crop as they are at present. I believe that farming is the great basic industry of this country and that it is deserving of every possible encouragement, not only because of climatic conditions, but because of this further fact, which is often lost sight of: many of our farm products are perishable and must be marketed within a limited time, and because of that fact proper transportation rates and every other possible encouragement should be given to those engaged in farming, particularly in view of the vast amount of money which has been invested in that industry. Climatic conditions are not so favourable to the farmer in this country as they are in Australia and New Zealand. I think the course taken by the government in these treaties was ill-advised and will result in very serious damage to mixed farming in this country; I believe it will discourage it in the west, where it ought to be encouraged. For these reasons, Mr. Speaker, and because my own county is directly and materially interested, I register my protest against these treaties.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. H. C. HOCKEN (Toronto West Centre): Owing to an inherited and perhaps unfortunate directness of mind, Mr. Speaker, when I first spoke this session I omitted, much to my regret, the observance of one of the graceful amenities of parliament. I desire now to repair that omission by extending to you my heartiest congratulations upon your re-election as Speaker. Having had the privilege of sitting four years under your direction, I have a full and complete idea of your impartiality, of the dignity with which you maintain the office, and your observance of the best traditions of the speakership under British institutions. I think I may speak for the whole House in saying that it is highly gratifying that you have been able so far to sustain the heavy strain imposed upon you in the absence of the deputy, and in expressing the sincere hope that that happy state will prevail to the end of this debate.

If, Mr. Speaker, there is any form of the agricultural industry to which the government should pay particular attention it is in my judgment the dairy industry. The men who are engaged in that particular form of agriculture must work every day. The occupation is not a spasmodic one like grain growing; it calls for work early and late, seven days a week, and a constant measure of industry that is more exacting, I think, than that involved in any other branch of farming operations. It is more than that, Sir. The dairying industry is really an agricultural manufacturing concern, because the products of the dairy must go through certain manufacturing processes before they are marketed; and the dairy farmer is akin to the manufacturer in the city, both by the constancy of his employment and by the fact that he must manufacture the raw product which he himself produces.

If my argument is sound, Mr. Speaker, it must appear to be most unfortunate that this particular industry should be jeopardized by any treaty that this government could make. It is the business of a government to deal with and to protect impartially all classes of citizens; and there are some forms of agriculture which it is not easy for a government to protect. The growing of wheat is something that is not easily protected, although I think that might be done in this country now. For instance, an export duty on wheat that is exported in bond to be ground in the United States would react, I think, to the advantage of the farming community in Canada. But here is an industry—dairying—which the government could do a great deal to foster. It can protect these men who work harder than any other people, the men on the farm, from unfair competition either from Australia or from the United States, and in my judgment the argument that is based upon the protection of the dairy industry is just as sound as the argument in regard to any other industry.

I entirely agree with the hon. member for Cariboo (Mr. Fraser) who spoke this afternoon. He said that he wanted an equivalent tariff, an adequate tariff. Well, that was put into another phrase in the last parliament, one that struck me as being very suitable—a phrase used by an hon. member on the other side of the House. The then member for St. Lawrence-St. George argued for what he called a cost of living tariff. He wanted a tariff just high enough to enable the manufacturer of this country to live—not to ex-

ploit the consumer; not to reap excessive profits for himself, but to carry on his industry and give employment to the men he had engaged. That is the stand that this party takes, as far as I know its sentiments, with regard to the tariff. We want the factories of Canada to do business. We want to have them busy, for the sake of the men who work in them, for the sake of their wives and families, and for the general welfare of this country.

I do not intend, Mr. Speaker, to direct any particular attention to the tariff, or to say anything more than I have said with regard to the dairy industry. I desire to draw the attention of the House to something different, something touched on by the hon. member for Victoria, B.C. (Mr. Tolmie) the other day. I am not going to repeat his statistics, but I wish to draw the attention of this House to the scandalous indifference this government has shown towards the question of immigration. There is a clause in the Speech from the Throne setting out the purpose of the government now to adopt an energetic immigration programme. I should like my hon. friends opposite to tell me why they did not do that four years ago. If it is necessary now for this country to get immigration of the right type, it has been necessary for the last four years; and if steps had been taken even two years ago something substantial might have been accomplished by this time. But as we look over the immigration figures we are astounded to find that about as many people are leaving the country as are coming into it.

Mr. MEIGHEN: More.

Mr. HOCKEN: Or more. A country like this needs these people more than it needs anything else; indeed, practically all its problems will be solved if we can add substantially to its population. But what do we find? For three years there has been no Minister of Immigration. The hon. minister who had charge of that department was taken from his duties and made Acting Minister of Finance, and from the time that Mr. Fielding retired from the office of Finance minister, with the exception of a few months during which a general election was held, there has been no Minister of Immigration. I consider the Department of Immigration at the present time the most important department in the administration of the affairs of Canada. A great deal depends, of course, upon its successful management. If we had in charge of it a man with a broad outlook who could adopt a large policy, his efforts would result in making it easy for the Finance minister, because a million or more of population will certainly reduce taxation, will make it easier to balance the budget, will eliminate the deficit from the National Railways, and will restore the country to the state of prosperity which existed in Canada in 1913 and 1914, just before the war. It was during those years we had the largest measure of immigration. If you take the figures for 1911, 1912, 1913 and 1914 you will find we had almost a million and a half immigrants in those four years. If you take any other four years since 1885, you will see that they do not compare with that period. So that I attribute the present state of affairs with regard to immigration to the failure of the government to recognize the importance of that department. They took from it a capable minister and put upon him the heaviest duties I think any minister has to perform at any time, leaving that department without any head, the administration of it being in the hands of the deputy minister and other officials.

This state of affairs is most unfortunate, particularly in view of the fact that the Imperial government, which is really anxious to assist in immigration to Canada as well as to Australia and New Zealand, have appropriated for that purpose fifteen million dollars a year for three years. That is a large sum, but, as they have stated over and over again, they stand ready with organization and with money to co-operate with the Dominion of Canada to fill up our vacant spaces and to relieve the over-population of the Old Land. Could we get any immigration quite so valuable to us as that from the British Isles? I submit that that is the very best we can get, because those people understand what it is to live under British institutions; they are not strangers to our form of government, our manner of living or our processes of business. Therefore I hold that every possible effort should be made, and should have been made in the past, to bring into this country a very heavy influx of people from the over-populated British Isles.

The problem, Sir, is fundamental to the prosperity of Canada, but although that fact has been emphasized by some of the most prominent and outstanding men in our public life, the government has done nothing. I understand that the Deputy Minister of Immigration is now in Europe formulating some plan. That visit is four years overdue. Had this question been regarded as fundamental to our prosperity four years ago, I venture to think we would have had half a million, if not

a million, more people in Canada than we have, thus creating business for our railways, our banks, our merchants and our farmers. So that the dereliction of duty in that regard is one for which the government in my judgment is heartily to be condemned.

The hon. member for Victoria, B.C. (Mr. Tolmie) the other day quoted some remarks of Sir Henry Thornton, Sir Thomas White and others. As far back as September, 1924, I heard Sir Henry Thornton deliver an address at the National Exposition in Toronto and he then brought to my mind the supreme importance of the question of immigration. He said that he thought a man of the highest capability in Canada should be selected as Minister of Immigration and that he should not be hampered by government, by any red tape or anything of that kind, but should be assisted by government and should have practically a free hand to carry out policies for filling up this country. Sir Thomas White has been going about making addresses on this subject, and Mr. Corless of the Mond Nickel Company, another man of some importance in Canada, has been addressing Canadian clubs and similar organizations, bringing to the attention of the public the absolute necessity of an energetic immigration policy. I hope Mr. Corless and Sir Thomas White will continue their propaganda, and I hope Sir Henry Thornton will continue to point out to the people of this country that if they want the deficit of the National railways removed, they must fill up our vacant spaces.

It is true some little work has been done in this regard. For instance, several hundreds of immigrants were taken from the Hebrides to Alberta; but I question the judgment of taking those people to that particuar spot, because they come from a country where fishing and farming run together as they do pretty well in our Maritime provinces. I think the place for the Hebrideans was New Brunswick, Nova Scotia, or Prince Edward Island. There they would have had a climate very much like their own and physical conditions almost identical with those they had left, and I believe they would have felt more at home on the great stretches of sea, lakes and bays down there than away out on our vast prairies. As a matter of fact, a good many of them have left the prairies and gone to British Columbia. Some will remain there and, I have no doubt, will make good. But the only real plan that has had effective support from this government has, in my judgment, been wrongly directed. I do not know why the Immigration department should take men two thousand miles past vacant farm lands for which they are well adapted into a country for which they are not adapted; I question the wisdom of the department in that regard.

Of course a government department will function without a minister; and we have had proof of that in regard to immigration, but no government department can function properly and efficiently without a minister. It is to the man at the head of a department that the officials look for a lead; they must look to him for the formulation of policies, and he must be a man who feels a sense of responsibility to this House and to the country before such a department can function efficiently. A department that is left for three years in the hands of officials must inevitably drift into a condition of routine. Officials necessarily follow routine methods; it is not their business to formulate policies. Indeed I presume—without having an adequate knowledge, as I have never been a civil servant—that civil servants who formulate policies and try to put them into effect of their own initiative are likely to get into trouble. If they want to be safe they will go along the smooth and easy way, and that seems to have been the one adopted by officials of the Immigration department.

As I said, a minister has a sense of responsibility. Without that no man is going to accomplish very much; the more keenly he feels his responsibility the better public servant he will be. Let a man take hold of any department and feel that the country and parliament are looking to him to administer that department successfully, and he will be inspired with a desire to put forth his best efforts to make his department highly efficient. My remarks apply to the Acting Minister of Immigration (Mr. Stewart) only so far as he is a member of the administration; but here we are to-day, five years from the time this government was elected, without having had that department effectively and efficiently organized and, for the last three years and at the present time, without its having a minister at all. My hon. friend the other day, when asked certain questions, was unable to answer them. I am not surprised at that, because he is an acting minister with a very heavy department to administer in the Department of the Interior. I am sure he is doing the best he can, but the fault lies with the administration as a whole that they should allow this exceedingly important department to function without the directing mind and hand of a responsible minister.

It should have been and was possible during the past four years to have all the

provincial governments co-operating with this government in some well considered plan for the settlement of our vacant areas. I am quite sure that the premiers of Alberta, Saskatchewan, British Columbia, Manitoba, Ontario and the eastern provinces would have been more than delighted to confer with a minister of immigration who had any large and presumably profitable scheme to lay before them. There is no province in Canada that is not anxious to get larger settlement, and every provincial government that we have stands ready now and has been ready for the past four years to co-operate with this government in carrying out work of that character. There are many ways in which this might be done. I read recently a proposal made by General Crichtley, of Calgary, that a small community might be taken from some particular county in England and Scotland, brought out here as a body, and placed all together in one of our provinces. They would be living with their neighbours; they would not suffer from that homesickness which is a very difficult thing to overcome during the first few years that people enter into a new land, and they would settle down to form a new community working together and doing their part to build up Canada. That is only one of many plans that might be suggested.

In Ontario—and I speak of it because it is my own province and I know more about it —there are between three and four thousand. probably five thousand, vacant farms. Anyway I am well within the mark if I say there are four thousand farms that are vacant or will soon become so by reason of the increasing age of the owners. Their children have gone west and have settled there. The old folks were left at home when they were vigorous, but age has crept upon them and they are no longer able to carry on agricultural operations. Thousands of these farms can be sold for the value of the buildings that are on them. A well considered plan by this government in co-operation with the Imperial government could plant from 3,000 to 5,000 families in Ontario alone and start a movement for the further settlement of the western prairies subsequently by drawing upon central Canada. For how were the prairies first settled? The backbone of the first settlement of the prairies came from Ontario; the best blood of the west had its source in that province. It was the young men and young women, the adventurous and the enterprising, who went out from that part of the country to settle the west. No province has contributed more to the prosperity of western Canada than Ontario has done. Ontario gave the west something more than money; it gave them breed and blood, brawn and brains.

Mr. CAMPBELL: My hon. friend must not overlook the Maritime provinces.

Mr. HOCKEN: I was about to point out that while in my opinion Ontario did rather more for the west than any other part of the country, the eastern provinces have nevertheless contributed their share to the building-up of western Canada. But now it is time that these vacant farms in Ontario were filled up. This would be possible if we had a Minister of Immigration, with a well thought out plan of co-operation between this government and the imperial authorities, and I venture to say that for the west nothing better could be done than what I now propose. From these farms in Ontario would go young men and young women properly trained in farming operations and in every other way fitted to take their part in western life.

There is another aspect of the question which I shall touch upon, but before I do so I want to read to the House what the Prince of Wales has had to say on the subject of immigration. We all regard His Royal Highness as a young man of considerable ability, and I do not think that I am going too far when I say that perhaps he is the most outstanding advocate of empire settlement to be found anywhere in the British Empire. He has travelled the empire and he knows it better than any of us. He has been to Australia, South Africa and Canada more than once and he realizes the necessity for filling up this country for our own sakes and at the same time with a view to contributing to the relief of the Motherland. Some time ago there was held in London, England, what was known as Australian and New Zealand Day, and at a meeting called for the purpose the question of immigration was discussed. Have we had a Canadian Day in London to discuss the same subject? If we have I have never heard of it. The governments of Australia and of New Zealand have taken this method of arousing interest in the Old Land in order to secure the very best kind of settlers for their country. Why has not Canada done the same thing? Why should not Canada hold a Canadian Day in London? Will Canada do so now? I should like to see this government adopt the modern methods of attracting attention and securing publicity with the object of spreading a knowledge of the advantages of this Dominion. On the occasion of which I speak the Prince of Wales said in part:

A Vital Problem

I am also very interested in the question, which is of comparatively modern development, of the settle-

ment of children. In my travels I have never seen finer or happier children than in the outlying parts of the Empire, but there are not enough of them. The Child Emigration Society is helping this on, and I remember your Premier, Mr. Bruce, speaking very favourably of that society at a luncheon last year. The society, which works in conjunction with the Kingsley Fairbridge School in Western Australia, is training 200 children from our big cities on a fine farm to be good citizens of the Commonwealth. I understand the society aims at sending 100 more children. Then New Zealand has a fine institution, the New Zealand Sheep Owners' Society, providing training for boys and girls from the Old Country whose fathers were killed in the war. These I am mentioning are just a few, and up to now I seem only to have been talking of men and boys, but women have also a big part to play in Empire Settlement. Group settlement is one of the best schemes, and it has been given a good start in Western Australia. The help of the wives is vital to the husbands in many cases. I hope the right men and women will be encouraged to help to populate the empty spaces of the Commonwealth. My remarks merely scratch this great subject which provides a problem as wide and intricate and as vital as any of the multitude which face us to-day. But to anyone who has travelled, it cannot fail to appeal and to interest. Most of you are travellers, and I hope you share my interest, and if so, you ought to share my optimism, because it is that that wins through in the long run. We have a very long way to go indeed in the matter of Empire Settlement, but we have made a start since the Armistice seven years ago. We have made progress, and I look forward to the day when we may smile at the obstacles which now seem insurmountable.

I wish His Royal Highness had been able to tell of training farms in Canada where hundreds of boys from the British Isles could be trained in agricultural pursuits and taught to love the land, as boys will love it if you get them early enough and imbue them with a desire to stay on the farm and develop into a fine type of agriculturist. I notice in to-day's Ottawa Citizen another plan which has been adopted by Australia but not, so far as I know, by this Dominion. I quote from the article in question:

A training school for Australian farmers has been established at Lynford Hall, in Norfolk, a fine old English mansion. Through this establishment, it is hoped to prepare the younger British men who have capital to invest. The training course lasts six months, and is to cost each pupil £100. It is a condition of the scheme that everyone who takes advantage of it should be prepared to pay his own way to Australia and to get there with at least £250 in his pocket. This means that he must have at his disposal not less than £425. He will then be given a farm of 160 acres and the right to a state loan of £750 to help him develop it.

Australia is thus making a strong bid for British university men and settlers who start with the advantages of an English public school education. The commonwealth is endeavoring to attract a stream of migrants who may be exceptionally qualified to take a useful part in the intellectual as well as the material development of the country. A career of wonderful possibility is offered to the educated settler.

This indicates to me that the Commonwealth of Australia is much more alive to the advantages that will accrue from an increased population than is Canada, and I venture to assert that the need of population is not so great in the Commonwealth of Australia as it is in this country, for the various reasons which I have indicated.

Now, Mr. Speaker, there is another phase of immigration to which I would direct the attention of the House, and if possible persuade the government to make a change in what I regard as a very vicious regulation. As stated by the Acting Minister of Immigration (Mr. Stewart) the other day in answer to my question, early in April last year, when there was no minister of the department, a regulation was put into effect by, I presume, the officials, having all the virtue—if there is any—and all the authority not only of a minister but of parliament. This regulation prohibits voluntary immigration societies bringing to this country children under fourteen years of age. For forty years these societies have been bringing out children ranging in age from eight to ten years and upwards, and in all that period I am told there has been not more than two per cent of failures. Could there be any better type of immigration than children? The argument of the department is that children should not be brought out here until they have had a public school education. I take issue with that, Sir. I say it is much better to have a child educated in Canadian schools than to bring it out here after it has received its education in British schools. A child from six to fourteen is in its most impressionable years, and we can make it a good Canadian much more effectively during this period than after it has had its primary school education in England.

Mr. WOODSWORTH: Mr. Speaker, may I ask the hon. gentleman if he is aware of the reports made by the Child Welfare officials both of the Dominion and of Ontario?

Mr. HOCKEN: I am, and I will deal with them. The regulation I object to was put into effect as the result of a report made by Miss Bondfield. She apparently was acting upon the theory that the care of young children is more difficult than that of older children. Perhaps it is; I am not prepared to dispute it; in fact I am rather inclined to concede the point. But I would remind the House that these children are the wards of a society which watches them in their home life, their school life and their working life until they are eighteen years of age. Therefore I submit that the earlier a child comes to this country the better.

Mr. WOODSWORTH: Mr. Speaker, the hon. gentleman, I take it, is aware that the reports tend to show that the guardianship was anything but adequate, and that a number of young children were horribly overworked?

Mr. HOCKEN: I did not so read the report, and I think my hon. friend is exaggerating a little. There was no substantial proof that any large number of these young children had not been properly taken care of. Miss Bondfield's report has simply been an excuse for the officials of the department to put the regulation into effect at a time when there was no minister in charge of the department, as there ought to have been. That is the gravamen of my charge against the government.

Mr. ROBB: Mr. Speaker, I do not want to interrupt my hon. friend in the thread of his argument, neither do I wish to enter into controversy with him whether or not children should come to Canada under fourteen years of age; but if he will allow me, I might explain that when I was minister of the department, while in England I met the Overseas Settlement Board. Miss Bondfield was then a member of the British government. A campaign was being carried on in the British press against the sending of young children to Canada, on account of reports received in England regarding the treatment of certain orphans placed in homes in Ontario. We wanted to bring the government and the people of Great Britain to a more favourable attitude towards Canada as a desirable country for immigrants. We therefore invited Miss Bondfield with a member of her committee to visit the Dominion, and we promised to place at her disposal the services of the department to assist her in visiting the homes in which these children had been placed. It was out of regard for her recommendation, endorsed by the Child Welfare Association of Ontario, that I approved of the regulation that children should not be brought to Canada until they were fourteen years of age.

Mr. HOCKEN: Well, Mr. Speaker, if my hon. friend and the government accept responsibility for the regulation, my criticism must be levelled at them. I say they are absolutely wrong in prohibiting the immigration of children younger than fourteen years of age. Allow me to cite the experience of the Barnardo Home, an organization which has brought out to this country 28,000 boys and girls during the last forty years, with less than two per cent of failures. That organization has also sent out during that period 99,500 children to the various dominions—

Australia, New Zealand and Canada. Some of those children to-day are occupying prominent positions in this country. I know them, and they are proud to acknowledge that they came out under the auspices of the Barnardo Home. The operations of that institution have been seriously hampered by this regulation. I may tell the House that there is no more carefully selected immigrants than those who come here under the auspices of the Barnardo Home.

Mr. WOODSWORTH: Mr. Speaker, may I ask whether the hon. gentleman has read the report of the general hospital board of the city of Toronto with regard to the Barnardo children that passed through their hands?

Mr. HOCKEN: No, I have not had the privilege of reading that report. Mr. Speaker, in the earliest stages of its operations Dr. Barnardo drew up a set of rules, which I am informed have been rigidly adhered to ever since. These rules are:

(1) That no child shall be sent out manifesting criminal or vicious tastes.

(2) That no child is to be sent out who is not at the time in excellent health and without tendency to disease.

(3) That all such children must have been passed through a period of the most careful training, not only in industrial pursuits but also of moral and religious character.

(4) And as regards all children who come up to the standard of the three previous conditions, only the flower of our flocks are to be sent to Canada.

(5) That upon reaching Canada all children are to come under the care of properly qualified persons connected with our institution on the Canadian side, by whom they are to be distributed carefully into well selected homes. And even then our work is not to be considered complete but regular communication shall be maintained with these children for years by personal visitation of experienced assistants, and by a system of written reports from the child and its employer. That careful statistics shall be kept showing frequent reports of their whereabouts, progress and general welfare, until they have reached an age when they no longer require our supervising care.

(6) That, if in spite of all these tests, precautions and safe-guards it should be found by experience that some particular child, after having been placed out in Canada becomes definitely immoral or criminal that every legitimate means are to be adopted to recover possession of that child and to return him or her at the earliest opportunity to the Old Country.

That is the policy which I am informed has been followed by the Barnardo officials in the Dominion of Canada. They have placed these 28,000 boys and girls almost entirely upon the farm. Most of these children have gone to school in Canada. They have gone into homes in this country to be treated as one of the family, and how infinitely better that is for the child than to be put into an institution of any kind. I have heard men

argue that a child whose parents are wicked, if brought up in a home as one of the family, has a better chance than a child brought up in an institution, and I am very much inclined to agree with that. The taint of institutionalism upon a child trained in an institution is something from which it is very difficult for the child to escape, if it ever escapes; but brought up in a home as one of the family and engaging in all the avocations of the family doing the farm work or whatever it may be, the child grows up as a normal young Canadian, with Canadian ideals and Canadian aspirations, and enters upon our life as if it were native-born. There are 3,500 of these boys and girls in Ontario to-day, and the society claims that every one of them is making good. In addition to that, there are known to the managers of the Home and still in touch with them 8,000 older members of the Barnardo family in Ontario. And the wonderful thing, Mr. Speaker, is not that so many of these children have succeeded, but that so few of them have failed; for it is on record—I believe upon the records of the statiticians of our own government—that less than two per cent of these children have failed to make good.

Mr. WOODSWORTH: I do not like to interrupt but I should like to ask where that is on file in the statistics of this country.

Mr. HOCKEN: I will find that out and let my hon. friend know.

Mr. WOODSWORTH: I should be very glad to see those statistics.

Mr. HOCKEN: I want to give the House some idea of how a party of these children who set sail for Canada is chosen. I am arguing, Sir, for the removal of this restriction. I am arguing that these voluntary societies which have made good should be allowed to continue to bring out children in order to place them in homes in this country and have them brought up as young Canadians.

Here is what happens in the process of selection: On the child being put forward for Canada—and this is never done without the full consent of the child and its next of kin—if it is found that the father or mother has been insane or that the health, mentality or moral state of the child is unsatisfactory, it is not proposed for emigration. If it has been known to be dishonest, untruthful or is mentally backward, it is not allowed to go. Many a time the officers of the society have examined 200 young children to find only 75 suitable for Canada, only 75 who would come up to the standard set for entrance to the Dominion of Canada. Then before these children leave England they have to go before a committee which is presided over by the medical director of the Barnardo Home. This committee considers first the report from its own medical officer, then the family history of the child, then the dossier card giving a record of the health and mentality of the child during its residence in the home, and a certificate of character supplied by the superintendent of the home in which the child has resided. Now that is pretty careful selection. You cannot get as careful selection as that when you get into the adult class.

9 p.m.

Then, after the selection is made, all the papers referred to have to go before the Canadian authorities for their examination, and finally the child has to be passed by the Canadian officers and other officials.

To give you some idea of the type of young Canadians these Barnardo boys have been, I may tell the House that when the Great war broke out, 6,385 of them enlisted to fight in France for the defence of France and of the Empire. I do not know, Sir, what better test could be applied than that. Children who come out here at a tender age, who grow up as young Canadians, and who are prepared to go out and face what they did face in the big war, must certainly be considered among the very cream of our population, and it is to their credit that over 6,000 of them went out and did their bit. Many of them were on farms when the war broke out, and they gave up their farms, either rented them or left them as best they could. Some of them came back to find their farms in a very sad state, and some of them did not come back at all. That is the product of the Barnardo Home, and I say to the House that if the minister finds it desirable to place a limit of fourteen years upon the age of children brought out by societies that do not take care of the children they bring out, that limit should not be applied to a society that does take care of its children and that is doing as much as the Barnardo Home is doing to populate this country, and populate it with the very best kind of people we can have.

I am trying Mr. Speaker, to make a defence of the Barnardo Home. I think the Barnardo Home has been unfairly and unjustly treated. I want to quote what the Rev. Canon Cody of Toronto says. Those who know Canon Cody —and he is pretty well known in this country —will place the utmost reliance upon what he says. Speaking to Mr. Percy Roberts, the

chief migration officer of the society, Dr. Cody said:

We want your young people. Their failures compared with their wonderful successes are negligible. Compare them with the same number of other people who come to Canada—there is no comparison. They grow up in the country and they grow into the community. We want your children ninety-nine per cent of Canadians will agree with me.

There is the statement of a man who is deeply immersed in questions of this kind, one of the moral and religious leaders of the province of Ontario, a man not given to making hasty statements, a man careful in all he says, a man whose word is taken wherever he is known or wherever his reputation has gone. But there is not only Canon Cody. I would submit to the House the reports of the Department of Immigration and Colonization of this government, and we have those reports right down to the present day, all approving of this kind of immigration. The report of the Department of Immigration and Colonization for 1920-21 says:

The interest of Canadians and the children were shown in various ways:

(1) By the cordial welcome given to them on their arrival.

(2) By the continuous and extraordinary requests for their services received from all parts of the Dominion.

(3) The profound interest shown in their welfare, treatment and success.

(4) The general popularity of the movement as a source of supply of farm and domestic help.

(5) Favourable press notices and widespread desire that the work, as conducted under the present auspices and departmental regulations—

That was before April, 1925.

—should rceive the utmost encouragement and sympathy as the result of its immense national and economic importance.

Those are the words of the officials of the Immigration and Colonization department, and in the same report it is stated that there were 581 children sent out by the Barnardo Home that year, and for these there were 13,398 applications. That would indicate to any reasonable person that these children coming out at the tender age of which I spoke, but whose coming is now prohibited, are very much wanted by the men and women in the rural districts of Canada. The demand comes from practically every province in Canada, although there are more of them in Ontario than in any other province. I quote the report further. Speaking of the whole of the children brought out, not only the Barnardo children but others, it says:

The children were generally found contented and well settled, and a very small, number, comparatively, changed situations or had to be recalled on account of faulty traits of character on their own part or during the year.

[Mr. Hocken.]

Let me quote just a paragraph from the report of the department in 1922. The statement is there made:

That the readiness with which the services of these children are sought is conclusive proof of their general adaptability for agricultural employment. In the last twenty-three years the extent of the demand for these young immigrants is shown by the following figures: From 1900 to March 31, 1923, inclusive, 38,589 children were received. And for the same period 451,680 applications were received.

It will be observed by the members of the House that the supply is only seven per cent of the demand for these young children, and two per cent, it is said, are failures. I want to bring the question right down to the present report which was tabled by the minister the other day. It will be found on page 71 of the Immigration and Colonization report. The director of that branch of immigration says:

It must not be supposed that all the children referred to in this report are perfect models of the human kind. They are just like ordinary boys and girls, although by training and strict discipline of the schools whence they originally came—

And this is the clause I would like to impress upon the minds of the members of the House.

—they certainly compare favourably with our own Canadian children.

Why should we hesitate, Mr. Speaker, to bring to this country young children who favourably compare with our own Canadian children?

The report goes on to say:

The department through its inspectors, receives definite information, not ony regarding the care and treatment of the child by his employer, but also concerning the child's development, and when failure or unsuitability is established deportation follows. It is gratifying, however, to be able to report that deportations from the ranks of our British juvenile immigrants are comparatively few.

These are the statements of the officials of our own government. They are the men who are in daily contact with the juvenile immigrants, the men who know what every voluntary child immigration society is doing. Do you mean to say, Mr. Speaker, they would put such a statement as that on the record if they were not well within the facts; if these children had not proved—I was going to say to the extent of 98 per cent at least —suitable immigrants to this country?

I have argued here before, and I should like to repeat, that of all classes of immigrants the most desirable for this country are the young people. We have an organization in Montreal called The British Immigration Aid Society. They aim to bring out boys and girls under twenty years of age. As nearly as possible they bring them out at

sixteen years of age. Before a boy leaves the Old Country his parents know where he is going; they know the name of the farmer he is going to; they know his post office address; they are in communication with him from the day he lands in this country, and he is in communication with them if he so desires. I say that is the best kind of immigration that can be had in Canada. I would not settle down to that class and neglect other classes, however. I would bring in every suitable adult we can get. If I were in charge of the immigration propaganda I would say to these people: "You cannot come to Canada and pick up money. There is no use in your coming unless you are willing to work; but every young man who is able and willing to work can get a competence in the Dominion of Canada before he is fifty years of age." But the introduction into this country of boys and girls is the best thing we can do; and instead of discouraging that movement, as this regulation does, we should go to the other extreme. We should assist every voluntary organization that is spending its own money, that is doing its own part in bringing settlers into Canada who will make good. Therefore I ask the government, I ask the Minister of Finance, I ask the Acting Minister of Immigration, to reconsider this regulation excluding children under fourteen years of age. If it is necessary to discriminate between different organizations, all right; but those organizations which are bringing children in, which are taking care of them and turning them into good young Canadian citizens, surely ought to be encouraged, not discouraged; because nothing better can be done for Canada.

As I said at the outset, this is the largest problem which confronts Canada to-day. I will venture to say that when the government changes—and that is an event not very far distant—you will find at the head of the immigration department some outstanding man, who perhaps is not in politics at all to-day—some man such as described by Sir Henry Thornton, who, because of his outstanding capacity, his courage, his vision of the needs and future of this country, will gain for himself the confidence of the whole population. I appeal again to the minister to wipe out this unfair and discouraging regulation and to let these young children come in to be citizens of our country.

I should like to say one other word before I close. I have listened to my hon. friends from the Maritime provinces air their grievances, and I want to express my sympathies with them. They have put their case before this House. Sir, in forceful language, but in a way that I am sure has commanded the attention and excited the sympathy of every hon. member. I know that in speaking as I do I can speak for the people of Ontario. That province has prospered more as a result of confederation than the Maritime provinces have, and almost as much as the western provinces have. Its people are alive to the importance of solving the problems that face us, and are willing to do everything in their power to bring together, by any means that will work out as a suitable national solution, those provinces that are geographically widely separated.

I point out to hon. gentlemen from the Maritime provinces that the Premier of Ontario has been working diligently to create a bond in trade with the province of Alberta. If it is possible we want the people of the whole province of Ontario to burn Alberta and Maritime province coal. I am not so sure that a solution has not been found for the Alberta situation. If we can get a $7 freight rate—and I do not see that there is any insuperable obstacle in the way——we shall free ourselves from the domination of Pennsylvania in the central provinces of this country in respect to coal. If we can do that in the case of far-off Alberta, it surely can be done in the case of nearby Nova Scotia. And if the two great central provinces, where industry is largely centered at the present time—but where it is not going to remain, because industry is bound to be established in equal measure in the provinces of the west—can by co-operation with Nova Scotia and New Brunswick in the east and with Alberta in the west create a bond of trade aggregating $100,000,000 a year, it will do more to bring about a feeling of unity in this Dominion than anything else that I can suggest.

I heard one hon. member say: "We are not talking secession or anything of that kind." No, Mr. Speaker, they talk as true, red-blooded Canadians, bound to stand by this Dominion and to solve its difficulties. For there must be a way of solving those difficulties by working unitedly and making of this country what it is capable of being made and what it is destined by Providence to be, one of the greatest nations on the face of the earth.

Mr. J. L. BROWN (Lisgar): During the last six weeks, Mr. Speaker, I have been frequently reminded of an incident recorded in that very readable book, Dean Ramsay's Reminiscences of Scottish Life and Character. It was formerly the custom of ministers to preach a sermon two hours long in the morning, and, to avoid the necessity of the con-

gregation having to go home and return again in the evening, the minister would proceed and preach for another two hours. On one occasion a little girl who was with her grandmother sat patiently listening to the sermon for the first two hours, but when the second sermon was started she was getting rather hungry, so she said, "Granny, come alang hame, this is a lang grace and nae meat." So that I would be disposed to think that we have had a "lang grace" for the last six weeks, and if the meat is to be judged by the amount of actual good accomplished in the country it must be reckoned very small.

Before proceeding to discuss the motion before the House, I wish to make some reference to certain remarks of the hon. member for Pictou (Mr. Cantley). I listened with a good deal of interest to the speech of the hon. member for Pictou when he was presenting to the House the question of Maritime rights. I have been honestly anxious to get the Maritime point of view. Sometimes I think our Maritime friends have confused the general difficulties of Canada, if there be such, with those which are peculiar to the Maritimes. I would like to concede to them a right for which the members at present representing the Maritime provinces seem to have made no demand, namely, the right to trade more freely with the world. I think if they would recognize that right and assert it, we in the west would be willing to concede it to them, and that would go a very long way towards solving their difficulties. It would bring trade to Canadian ports and would bring about a state of prosperity in those provinces which they have not enjoyed for many years.

As I stated, I was interested and anxious to get the Maritime point of view. I gave proof of that when the hon. member for Pictou was speaking by moving to the other side of the chamber, in order that I might face him and thus be able to hear more correctly what he was saying. When the hon. member was depicting the railway situation and showing the prevailing rates between one part of Canada and another, I did feel that on questions of railway rates they had some cause for complaint, and that they were not being given those rates which would enable them to compete with the United States in the movement of coal. At that point I had a good deal of sympathy with the claims of the Maritime provinces, but as the hon. member went on with his speech I began to lose some of my sympathy for him and his cause, when he advanced an argument which seemed to me to be absolutely unsound. I wish to place before the House something of the point of view of the west with regard to this matter. This involves the question of the natural resources of the Dominion and the position that the western provinces occupy in this Dominion. The hon. gentleman on that occasion said:

> As to what Nova Scotia as one of the original partners in confederation paid into the common fund of the Dominion, Mr. Speaker, within a few years of the confederation of the four original provinces into the Dominion of Canada the Hudson's Bay Company's interests were bought out for the sum of £300,000 sterling and other considerations. This purchase, the cost of the organization of the territory then acquired, the establishment of government, surveying, policing of the immense territory, the building of the Canadian Pacific railway, in short, all that was necessary to make a civilized and habitable settled country of the northwest, was done at the joint cost of the four original partners in confederation, who later agreed to build the Canadian Pacific railway as the inducement to British Columbia to join.

I wish to take exception to the statement that all this was done at the joint expense of the four original partners in the confederation. When the rights of the Hudson's Bay Company in Rupert's Land were extinguished, an arrangement was made with the British government that that should be done by the payment of £300,000. It was provided in the Rupert's Land Act by the Imperial parliament in 1868 that the extinguishment of those rights should impose no burden upon the consolidated funds of the Imperial government. That made it necessary that, if the provisions of the British North America Act were to be carried out and if Rupert's Land and the Northwest Territories were to come into the Dominion of Canada, that monetary obligation should be assumed by Canada. That was done, and an arrangement was entered into under which British bankers advanced the money to the Canadian government under a guarantee by the British government. The terms of that loan were that the principal should be repaid in the year 1904. I looked up the public records in regard to the national debt for the year 1904, and I found that in that year a certain amount of it was redeemed. These were the items:

Intercolonial railway loan, 5 per cent, $2,433,334.34.

I wish our Maritime friends to remember this. This was the Intercolonial, paid for by Canada, or to be paid for by Canada. The other items are:

Intercolonial Railway loan, 4 per cent, $7,300,000.
Rupert's Land loan, 4 per cent, $1,460,000.

That is the £300,000.

Loan of 1876, 4 per cent..	$7,300,000 00
Temporary loan..	3,893,333 33
Loan of 1883, 4 per cent..	1,377,400 00
Dominion stock B., 3½ per cent.. ..	128,300 00
Dominion stock, 1901, 3½ per cent.. ..	3,200 00
Total..	$23,795,566 67

That is, there was redeemed of the public debt that year, $23,795,566.67, and the Rupert's Land loan of $1,460,000 was one of the items. Now how was this debt redeemed? I put the question to the Finance minister and have not received the answer as to the exact form in which the matter was handled at that time, but naturally it would be redeemed in one of two ways: either that amount of debt was paid out of surplus revenue of 1904, or it was paid through some refunding operation and the whole amount carried on into the general debt of Canada. It does not make any difference which way it was paid; if the first, it was extinguished by the people of Canada, and if the second, it still forms part of the debt of Canada and either has been paid or is to be paid by Manitoba and the western provinces just as well as by Nova Scotia, New Brunswick, Ontario and Quebec. I wish hon. members from the east would try to get our point of view on this matter. The statement that this and other matters were paid for by the four original provinces has no foundation in fact. It was paid for as well by Prince Edward Island and British Columbia, which entered the confederation after the province of Manitoba did; the people of those provinces have assumed their share of the burden just as much as have the people of the four original provinces.

But supposing that for the purpose of the argument we grant this fiction of a purchase. What was it that was purchased? I said that the claims of the Hudson's Bay Company to Rupert's Land were extinguished by the payment of £300,000. What was Rupert's Land? I had occasion to look up an old map dated 1856 which I found in one of the departments, and on it was shown the territory claimed by the Hudson's Bay Company. In the Rupert's Land Act of 1868 to which I refer, Rupert's Land was defined for the purposes of that act as all territory held or claimed to be held by the Hudson's Bay Company. What was it they claimed to hold? According to this map, we begin up at the east at Cape Chidley; we come up the height of land between the waters flowing into the Hudson bay and the St. Lawrence river, through the province of Quebec, through the province of Ontario, following the height of land down to the lake of the Woods to the American boundary. Originally it went to the headwaters of the Red river, but a settlement was made with the United States prior to that, and the boundary line runs straight along the 49th parallel. Then it follows the international boundary to the Rocky mountains, turns north to the head waters of the Saskatchewan river, to the height of land between the Mackenzie and the Saskatchewan systems, and out northeast along the height of land between the waters flowing into the Arctic and the waters flowing into the Hudson bay.

What has since happened to that great territory? A large portion of it is now a portion of the provinces of Quebec and Ontario—and this is a point we must deal with when we come to discuss the question of natural resources. That portion of Rupert's Land and the natural resources contained in it were handed over to those provinces to be administered in the interest, not of the Dominion, but of those provinces. I intended to point out that when British Columbia entered the confederation the rights of the Hudson's Bay Company in that province were extinguished by the British government, and the natural resources of that province were all handed over to the British Columbia government for the benefit, not of the British government, but of the province, as they should have been. A slightly different arrangement was made with Prince Edward Island. Thus the prairie provinces have been placed on an entirely different footing from the other provinces, and even if we admit the fiction of the purchase of Rupert's Land for £300,000, we must remember that a very large proportion of that land has been handed over already, as I have said, to Ontario and Quebec. Therefore, even on that score we are not to be charged with the whole amount of the £300,000, and certainly with not more than a proportion. But we do not admit the point at all.

We listened with a good deal of interest to the hon. member for Toronto West Centre (Mr. Hocken). Of course, we admit that Ontario gave her best to the west; we admit that just as readily as we will admit that Great Britain gave much of her best to build up Canada and the United States. At the same time we do not like to have it cast up to us that we are in an inferior position, and that is just the grievance that we have against eastern people. They insist on treating us as though we were still in a colonial position. It is the attitude of mind that so many eastern people have toward this question that we in the west so strongly object to. I have not discussed this question at any great length; I have only touched upon it briefly, but I would like to suggest these points to eastern members.

Mr. STEWART (Leeds): Where does the hon. member find any expression of that attitude of mind on the part of the east towards the west?

Mr. BROWN: In the claim of the east that for the sum of £300,000 they bought out all our territory, and on that claim they base their right to administer those lands and resources for the welfare of the Dominion rather than in the interest of the provinces.

Mr. STEWART (Leeds): Again I would like to ask the hon. gentleman if he regards that as an expression of a feeling of superiority on the part of the east towards the west?

Mr. BROWN: It is placing us of the west in a colonial position. It is the same attitude that was assumed by the British government in former days toward all their colonies when they insisted on administering the natural resources of the colonies for the benefit of the Mother Country rather than for the benefit of the colonies themselves.

Mr. CHABOT: Who built the Canadian Pacific railway?

Mr. BROWN: I must have failed completely in my endeavour to point out that whatever has been done for the west has been done at the cost of the whole of the people of Canada and not at the cost of the people of the four original provinces. So much for that matter; I shall not dwell on it any longer.

I wish to refer briefly to the question that is more immediately before the House. Our hon. friends to our right have been putting forward one amendment after another, something that they thought was a glittering bauble which they believed we would be very ready to jump at. I cannot but be reminded of picking berries in the berry patch in our old school days, when the children would run here and there. Someone would call out: "Here is a good patch," and they would run off. Then another would shout: "here is another good patch," and the children would be running here and there while the older people were filling their baskets. I have thought my hon. friends have been trying to treat us as children by saying to us: "Never mind the Speech from the Throne; here is something good for you." Of course many of them admit it is good, but they say: "Here is something better," and they expect us to run after that.

The dairy industry is a matter of supreme importance to the people of Canada and no one realizes that more than do those who are in this corner of the House. We know all about it by personal experience, for when we are at home we have to milk the cows and do what is necessary in helping to promote the dairy industry of the country. I voted against the Australian treaty when it was before the House in the last parliament, and it is because I recognize the tremendous importance of that industry and of the treaty that deals with it, as well as with some other matters, that I object to dealing with it as a side issue—to having it put before me as an alternative for something else; because that is what this amounts to.

The leader of the opposition (Mr. Meighen), when it was said that he had endorsed the Speech from the Throne, denied that, of course, as he had a perfect right to do. But are we to conclude that he and those who sit around him are not in favour of those things which are promised in the Speech from the Throne? If we are to come to that conclusion, then I am right in saying that this amendment is placed before us as an alternative, and for my part I do not intend to accept it as an alternative to those things which are promised us in the Speech from the Throne. When the matter itself comes before the House, if it comes before us and we deal with it on its merits, I shall be only too happy to try to deal with it in a way that best meets the needs of the people of Canada. I believe however that the injury wrought to the dairy industry by that treaty has been rather over emphasized. If hon. members would content themselves with saying that during the period of the year when Canada is not on an export basis in the matter of dairy products some injury may be done to the producer, I might be disposed to agree with them to some extent. But when the hon. member for Cariboo (Mr. Fraser) goes so far as to declare that the price of all the butter that is produced in Canada and of all that is exported, as well as of what is sold in the home market is lowered during the entire year to the extent of the reduction that has been made in the tariff through the Australian treaty, then I must most emphatically dissent, for I cannot follow his argument in any degree. During that period of the year when Canada is on an export basis I cannot see how the Australian treaty can work very much injury to the producer of our dairy products. I shall not follow this matter any further for I have already taken up the twenty minutes which I consider sufficient for me to place my views before the House, but certainly it is my intention to vote against the amendment.

Mr. STEWART (Leeds): Why did you vote against the Australian treaty?

Mr. BROWN: Very largely for a reason that has not been mentioned by hon. gentlemen to the right. I voted against it

because of the increase in the general duty on raisins. As I say, it is my intention when the vote is taken, if we ever get to it, to vote against the amendment; and if we get an opportunity to pass upon the Address itself it will be my pleasure to support it.

Mr. G. B. NICHOLSON (East Algoma): Coming as I do from a constituency comprising fifty per cent of dairy farmers and fifty per cent of an industrial population, I want to say a word or two on the amendment now before the House. I desire to refer to something said in this House last night by the Minister of Public Works (Mr. King, Kootenay) in regard to the accomplishments of the government which we have had in this country for the past four years in relation to the public debt and more particularly in connection with the railway situation. The hon. member, with that recklessness which one frequently observes on the part of hon. gentlemen who endeavour to create in this House and in the country a false impression with regard to the railway situation, undertook to lay at the door of the Conservative party the responsibility for the position in which Canada finds herself to-day so far as the National Railways are concerned. He overlooked entirely the fact that, in the first place, it was the government which was supported by himself prior to 1911 that caused this country to assume an obligation of $220,000,000 on account of the Transcontinental railway east of Winnipeg and to become contingently liable and responsible for an approximately equal sum for the Grand Trunk Pacific west of Winnipeg, making in all a total of about $450,000,000, of which about $150,000,000 was represented in the actual construction of railways without regard to the efficiency or the proper placing of the roads.

The next point my hon. friend touched upon was the matter of railway earnings in the years 1919, 1920 and 1921, and from 1922 onward. I took the liberty of asking him at the time what lines he was referring to in regard to the years between 1919 and 1921, and he did not vouchsafe a reply. I want to point out to him that in 1919, 1920 and 1921 we were administering the Grand Trunk Pacific, the Transcontinental and the Canadian Northern lines, not one of which was completed. We were not administering as part of the Canadian National Railways the Grand Trunk Pacific or the Intercolonial, which has since been brought into the system and which should have made it possible for all the Canadian National railway lines to be put on a paying basis.

In connection with the moneys that have been expended, the minister pointed out that $150,000,000 had been spent on capital account in the last four years on account of the National railways. I have under my hand the latest report from the Department of Railways in which the deputy minister points out that more than $524,000,000 has been expended directly on the Canadian National Railways in the past four years alone, exclusive of over $100,000,000 worth of equipment bonds that have been guaranteed by this government. As a matter of fact the debt of the Canadian National Railways has been increased in the past four years and a half by more than $700,000,000, so that, turn it whichever way we may, the Canadian National Railways will never be able to earn interest on 50 per cent of the money that has been sunk in them. I shall touch but briefly on this subject inasmuch as an opportunity may be presented later on to go into it in detail. But what in reality was necessary, when these railways were consolidated into one, to bring them up to standard was an expenditure of $275,000,000, whereas in the meantime we have spent some $700,000,000 on supposed improvements, while the railways are still not up to the mark.

I have here a very illuminating clipping in connection with the National railways. I almost hesitate to quote it, for we seem to have reached the point in this House in relation to our railway problem where one must touch the Canadian National system with very great care and with exceeding caution. The bubble may burst at any moment in someone's face if we touch it harshly, and it is not advisable, it would seem, for anyone to handle the thing roughly. But the president of the Canadian National Railways, addressing the Canadian Club in Toronto on February 1, after pointing out that in the last fiscal year, 1924, there had been expended on capital account more than $100,000,000, which he referred to as an investment, went on to say that the lines were going behind at the rate of $53,000,000 a year, or more than $1,000,000 a week. And this money, he declared, the Canadian people had kissed goodbye. Well, they have kissed good-bye a lot more than that in connection with the Canadian National Railways, and one is at a loss to know what a minister of this government can be thinking of when he points to the Canadian National Railways as one of the evidences of what members of the government call the excellent manner in which the affairs of the country have been administered in late years. When the time comes to discuss the

Canadian National Railways, as I trust it will before long, and when the whole situation is placed squarely before the country, the Canadian people will have some revelations brought out which have been systematically kept from them during the past four or five years. They will see revealed a condition of things which, unless it is checked, will bankrupt this country entirely and make it impossible to have such transportation charges as Canadian industry will be able to stand.

I come now to the particular amendment in its relation to the Australian treaty. My hon. friend the Minister of Public Works, in elaborating the advantages accruing to Canada from the treaty, referred to the development that is taking place in the pulp and paper industry of British Columbia, Manitoba, northern Ontario and northern Quebec, to the development that is taking place close to the city of Ottawa, and to a statement by the Minister of Lands and Forests of Ontario that some $40,000,000 was being expended in that province in such development; he endeavoured to create the impression that this great development has all been brought about by the Australian treaty. I wonder if the minister is aware that one single operating company in northern Ontario can supply all the Australian and New Zealand trade in forty days' operation? Any one of the plants that he stated were being developed on the Pacific coast will be able to handle the whole of that Antipodean trade. By reason of the position in which the government for the past four years has placed Canada, our ministers went to Australia with their hands literally tied behind their backs. Why? Because we have been simply maintaining a so-called tariff policy that was no policy at all, that was founded on no principle whatsoever, saving the principle of political expediency. Anything that might secure a temporary advantage in any part of the country at a particular time, political expediency made that advantage seem desirable. If the Minister of Finance (Mr. Robb), for whom I have personally the very greatest respect, had negotiated the treaty with the Australian government, bearing in mind the fact that we had a definite and fixed tariff policy, he might have been able to effect an arrangement of advantage to Canada; but shorn of every single opportunity for reasonable negotiation, he simply took what the Australians would give, with the result we have before us.

Now let me deal with the effect of this treaty on our butter industry. As I said a moment ago, fifty per cent of the people whom I have the privilege of representing, are interested solely in the dairy industry, which they carry on in the winter. In the summer their product is brought into direct competition with grass-fed butter produced in the United States and other countries. Then there is a surplus of butter, and they have to take advantage of the market that comes to them in the winter months when there is not such a plentiful supply on the market. In a word, they have to depend on the winter product to make their business profitable. But they have to do what the Australians have not to do: they have to shelter and feed their animals all through the winter on feedstuffs that are taken off the land in summer and stored in silos and barns at considerable expense. Then at the very time when they should be getting advantage of conditions in their home market, trainloads of butter are brought in at Vancouver from New Zealand and Australia and distributed across the Dominion, depressing the price to a point that takes away from our butter producers the advantages that rightfully belong to them. And this is not the only regrettable feature in connection with the Australian treaty. Every single carcass of beef exported from Australia is bonused by the commonwealth government. Our farmers in Manitoba, Saskatchewan, Alberta, British Columbia, and all over the province of Ontario, are forced to put their meat on the market in competition with this bonused meat of animals grass-fed in Australia during the winter months.

Two or three days ago I was particularly struck while listening to my hon. friend from Brandon (Mr. Forke), who is presumed to lead the group in this House that claim to represent the farming community of the Dominion. Referring to protection for farmers —the dairymen, the cattle, hog and sheep raisers, the fruit and vegetable growers—he took the position that they could not advocate protection because it might force them to concede protection for someone else. I should like the House just to appreciate that viewpoint. The dairy farmer, the stock raiser, the sheep raiser, the hog raiser, the vegetable grower and the fruit grower must be sacrificed for fear that the representatives of the wheat growers of western Canada may be brought into the position where they will have to concede protection for somebody else! When I heard that statement I thought it the most cold-blooded declaration of narrow sectionalism that I had ever listened to in this House. Just because they might be called upon to concede some measure of protection to the Canadian workingman through a policy that would stabilize industry in this country, they are willing to sacrifice the real farming popu-

lation of Canada! That is the position those hon. gentlemen take.

A few days ago the hon. gentleman to my left (Mr. Evans)—I am sorry he is not in the House—referred to myself and those associated with me in terms something like this: Members to my right are the concentrated representatives of organized industry and capital; they do not believe their own policy; they have absorbed the little industries, the small proprietors, and have concentrated them under their own control; they win elections by intimidating their employees, and all that sort of thing. So far as I am concerned, the hon. member and those associated with him may express just what opinions they choose, I simply say to them and to the House that members of the official opposition, let them be what they may in the opinion of these gentlemen, stand for one definite principle—for Canada first, for all the people of Canada; they stand here for a policy that will make it possible for Canadians to live in their own country. It makes one—I was going to use a very unparliamentary term, Mr. Speaker; I will pass it over—but to listen to some hon. members talking about the immigration policy suggested in the Speech from the Throne—not that mentioned in the supplement; I may have an opportunity of referring to how it came into existence some time later when the hon. gentleman who was primarily responsible for that statement is in his seat—when we hear hon. members and the government talking about a vigorous immigration policy while conditions make it impossible for our own boys and girls to stay in their native country because of their inability to make a living here, it seems to me, Mr. Speaker, it is time for the House of Commons to stop and consider the direction in which we are drifting.

Let me conclude, Sir, by saying again that regardless of what may be stated about us, of how we got here, where we are from, or whom we represent, what we stand for is a policy that will develop Canada as it should be developed. As one views the Dominion extending from Cape Breton to Vancouver Island, with all its limitless possibilities, and realizes that in the past four years alone 550,000 Canadians have been forced to leave their own country to make their livelihood in the United States, it seems to me it is time for us to sit up and consider what we are doing. The province of Ontario alone, every single day from the first of January, 1924, until the latest date for which a return can be secured, granted birth certificates to 100 native sons or daughters of the province of Ontario to enable them to take up permanent residence in the United States. Those are the things we are here to correct, and let me say to my hon. friends that we are going to stay right here until we do correct them.

Just one further point. I heard the hon. member for Brandon a few days ago say: "I heard the hon. member for East Algoma (Mr. Nicholson) say that he was going to oppose this government," and as he said that, with his hands clasped across his breast and his eyes rolling to Heaven, one might have thought he had just completed the pronouncement of the benediction at a meeting of the directors of the United Grain Growers Limited, after they had voted a cheque for several thousand dollars to the campaign funds of the Progressive party. But be that as it may, and at the risk of my hon. friend collapsing from heart failure if he should hear these words, I say: Yes, I am here to oppose this government, and to continue to oppose it, until it recognizes the will of the people as recorded on the 29th of October last, in so far as it is possible for me to oppose it; and until it vacates the seats it has no right to occupy in this House.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Mr. Speaker, we are drawing to the close of a debate which has been somewhat prolonged, but of which it can be said that it at least serves a much better purpose than any alternative which has presented itself to members of this House. We have heard old subjects discussed and new, and we have heard the usual allegations which too often come from hon. members down the aisle, that all offered to the House is chaff and straw save what they present themselves. We have heard also, not only in the House, but outside, that we are standing in the way of public business.

Some hon. MEMBERS: Hear, hear.

Mr. MEIGHEN: Hon. gentlemen across the way say "Hear, hear," and not one of them could answer me now, what that public business is. Every one of them knows that the only alternative to this debate is to disband and go home and do nothing. Hon. gentlemen opposite are in a splendid position to talk about delaying the business of the House when they not only have no business to present, but themselves, a government and members supporting the government obstructed this House by consuming all its time without intermission for three days in succession. For a government and its followers to do this in a parliament is unprecedented in the annals of Canada.

10 p.m.

There is one object at least we can serve besides the usual purpose of parliament—the discussion of public affairs—by attending to the post of duty. We can support the hands of a committee which is to-day charged with the heaviest responsibility which any committee of this House has undertaken for many years—the committee on the Customs investigation. I put it to hon. members of this House: Is it not somewhat better to be here to do our duty as far as we can and uphold the hands of that committee, than to abdicate our task, surrender and go home? For our part we have not been permitted, thanks to the votes of hon. gentlemen opposite and to my left, to proceed to the business of parliament as it is the duty of parliament to do, but we are determined to make the best use of our time we can under the circumstances dictated to us by a conjoint majority of this House.

We have before us an amendment, the second one moved to the Address in reply to the Speech from the Throne. These amendments go to the root of what we believe are faults in the public policy of today. If the debate on the Address is for any other purpose save to enable parliaments to do that, I know not what that purpose is. The Speech from the Throne is there. First in one particular, again in another, we ask parliament to declare that that Speech is lacking, and some hon. members have suggested—I know that no one would who is acquainted with the practice of parliament—that because we make complaint in a certain regard of a Speech from the Throne, therefore we accept it in every other particular. From time immemorial amendments have been addressed to Speeches from the Throne, but never till this debate was it suggested that those amendments assumed acquiescence in all features of the Speech not attacked. Time after time Speeches from the Throne have carried through this parliament without any amendment offered whatever, but in the face of opposition and still without a vote upon the Speech itself. Therefore it is manifest to all that nothing has taken place on this side of the House to be conclusive of acquiescence in the Speech in any regard.

As respects the subjects of the Speech from the Throne, our position was stated, in so far as it is in my authority to state it, in the address I delivered first. I think I then traversed every subject there treated; where we stand upon it was then stated. The government in this Address has departed from the usual procedure. Why it has departed all of us know, and no one knows more clearly than hon. gentlemen down the aisle. They departed from it just to offer an alluring berry patch to hon. gentlemen to my left. It has not been customary to come down with a Speech from the Throne and tell where a public work is going to be built, to tell that some public building or some railway is going to be constructed. That practice was reserved for the Speech this year. The leader of the government knows why. It was in order to invite a practice hitherto unknown, that members of this House who ran against government policy and government record should be induced in parliament to vote for the government on the faith of new promises made.

We are told in the Speech from the Throne that the Hudson Bay railway will be completed. On behalf of all those who sympathize with its completion, on behalf of all those, whatever their views may be, on whose behalf I can speak, I ask the government, having taken the responsibility of so declaring and asking this House to vote for such declaration, to tell us what under their plans is involved in the completion of the Hudson Bay railway. Just tell us the beginning and the end of this commitment. It is not usual I know to do so in debates on Speeches from the Throne, because it is not usual to make commitments as to public works in Speeches from the Throne. But the government has done so, and they want our votes for the Speech. We have a right to demand, and we should not be called upon to vote until the demand is answered, what is meant and what money is involved in the completion of the Hudson Bay railway. Are we to have the terminals completed? Are we to have elevators constructed? Are we to have the dredging done? Are we to have all those things done which the government itself declared in a return brought down just a few months ago were included in the completion of the project which, if that return were correct, means that we are committing ourselves to an expenditure of fifty millions of the people's money? Now, I ask the members of the government again: Are we to be asked to vote acquiescence in a Speech, to put our endorsement on a programme in utter blindness of where that programme leads and the extent of the commitments involved?

Similar remarks might be addressed to the government, though they are not wholly so important, in respect to other features of the Address. As to the amendment it challenges the programme of the administration as laid before us this session in respect of specific

grievances suffered by large portions of the population of Canada; it declares that this administration has involved that portion of our population in very serious losses and in further danger because of treaties which it has recently entered into, and it complains that there is no suggestion of policy or proposals of any kind designed to remove the discrimination under which these people suffer, the injustice which actually is imposed upon them. Now, we are asked what are those treaties? The debate had not gone very long until it was made quite clear they are the treaties which from the commencement we have opposed. They are the French treaty, to a lesser degree the Italian treaty, and the Australian treaty. These treaties we opposed. When they were before parliament we declared they would involve injury to Canadian business and Canadian trade. We are now at a stage where we are able to demonstrate by results that the position we took was right. And having reached that stage what is the answer of the government? If the Minister of Agriculture (Mr. Motherwell) could be said to speak for it, the answer of the government is this: "The treaties are passed. Surely you do not think we are fools enough, now that we have passed them, to go back upon them? Surely you are not going to ask us to reverse what we did?" We have a right to ask the government to do so, for the reason that before it took the step we challenged its soundness as applied to Canada; we challenged the virtue of its course; we declared these results would follow. Therefore we are in a position to call upon the government to remedy injuries done by itself.

The French treaty can be passed over very quickly; it has been before parliament and under debate many times. A very few comments on its consequences will illustrate its value. In the French treaty there did not appear from the beginning one single concession offered this country save in respect of a few spare parts of farm implements, which obtained entry into France on a little better terms. In every other regard, wherever this treaty touched the actual exports of Canada, the government brought to this House a treaty which raised the duties against them, or which did not affect them at all. In not one single other particular did the government come to parliament with duties against the actual exports of this country lower than before. On the contrary, in relation to some of our most valuable exports the government brought back a treaty under which the duty against our products entering France was fifty per cent higher than before the treaty was entered into at all. The government told us the treaty was the best it could do. We criticized the government at the time, on the ground that before it ventured to enter into a treaty with France—which had raised its tariff anywhere from four to twelve times over, it was bound in justice to this country to raise the Canadian duties on products in respect of which France would want concessions from us. The government ridiculed our suggestion; it intimated that it was against its policy. With arms tied behind their back, by their own folly, members of the government went over to negotiate a treaty with France. Now I ask any member of the administration to tell me one article in the whole range of Canadian exports which he can show from the trade returns was benefited by that treaty.

The Minister of Railways—either the Minister of Railways or the ex-Minister—told the people down in South Essex that the farmers had done better with their hogs because of the treaties the government had made. But not in respect of hogs, or anything else, has the government opened a market; it has not opened a market for the single product of a Canadian farm. In respect of products of major consequence, the government virtually killed the industry so far as exports to France are concerned. The member for East Lambton (Mr. Armstrong) showed from the returns of the Trade and Commerce department that where we sold four and a half million pounds of condensed milk before the treaty was entered into, we sold France last year only eighty thousand pounds of that article, and the year before less than a million pounds. Why? The treaty raised the duty on condensed milk by fifty per cent and killed the trade with France. The treaty raised the duty on canned salmon fifty per cent and seriously damaged that trade; and we stand to-day with a balance of trade against us of seven millions where we had seven millions in our favour before hon. gentlemen opposite ventured on the negotiation.

In respect of Italy we are buying now from that country a few hundred thousand dollars more than we were when the treaty was entered into, and we are selling to Italy $8,000,000 less than before hon. gentlemen put their blundering hands on our trade with that country.

Now let us come to the Australian treaty. I state frankly that I base my criticism of this treaty on the fact that protection is the right and the settled policy of Canada. If

protection is not our policy my criticisms will have very little force. I see hon. gentlemen down in the Saskatchewan colony indulging in smiles. When an attack is made on protection in this House the applause is confined to the colony from Saskatchewan. They are all new members of parliament; and I venture to say that after just a few months' experience; after a few lessons which they may learn from caucus, and after going through a few sessions in the composing room, they will not be quite so vociferous in this applause. When protection is condemned, have they observed that in the case of their party, the fathers of the 1919 platform, a dead silence prevails? Was that not a surprise to them when they came into parliament enthusiastic over the principles of free trade or freer trade and the identification of the Liberal party therewith? They have now read the speeches of their own leader, delivered in Ontario after he got safely out of Saskatchewan, in the last campaign. They have read where he declared that the industries of Canada had to be protected against competition from the United States, against competition from European countries with depreciated currencies, against competition from countries where labour was cheaper than in Canada. Are they then still of the belief that the Liberal party has its face set against protection? Am I told the Prime Minister did not use the word "protection"? If I am, I must admit he did not. He chose the word "safeguarding," because possibly he thought that word would not rack the conscience of the members for Saskatchewan quite so much But if "safeguarding" is more congenial to their ears, I am prepared to use that word myself; it suits my purpose just as well. I ask the members from Saskatchewan who applaud when protection is condemned, do they find now that such is the attitude of the government of the day? With a tariff commission, which is no use on earth unless there is a principle upon which the tariff is to be based; with even the leader of the Progressives admitting that he is prepared to concede some protection in this country—with all these facts confronting them, do hon. members not think protection is the settled policy of Canada? Have they any hope they will influence the course of policy in this House and bend it from the protection principle? If they have, I venture to caution them now that they will have just as much influence in proportion to their numbers as sixty-five hon. members to my left had during the course of the four years of the last parliament. If therefore that is the position, I should like to ask how anyone defends the Australian treaty in its present form.

The Finance minister knows just as well as I know—and he would not dispute it sitting in his seat now—that protection is the settled policy of Canada, and I would like to ask him how in the face of a settled policy of protection he defends this treaty with Australia. He stands up and says, "Oh well, things might have been better if we had had reciprocity". Reciprocity! A dead reciprocity to hon. gentlemen opposite is a whole lot better than a live reciprocity. It is a fortunate thing for the Minister of Finance that he is able to point to a reciprocity treaty defeated rather than to a reciprocity treaty enacted. If the reciprocity treaty had been carried in 1911, it would have gone by the board years ago at the hands of the majority of the American people, just as every reciprocity treaty large and small has gone in years gone by—gone by the board, to the dislocation and disruption of Canada business and great loss to Canadian people. Had we not reciprocity in wheat and potatoes? Can the Finance minister not remember when hon. members from Saskatchewan and all their colleagues to my left fairly tore the purple off the clouds in western Canada on behalf of free wheat, and seemed to think if we had a free exchange of wheat with the United States there would be paradise in this country, a new Heaven and a new earth? But we never hear anything about it now. Reciprocity in wheat was alive at one time, whereas this larger compact was always dead. We had free wheat, free potatoes, and a very few months after the pact went into effect—because it was a pact the same as the old treaty—it was torn into tatters by the Americans without any consultation with us at all, and a duty of 40 cents a bushel placed on wheat, $2.04 on flour and 50 cents on potatoes. That is the road the old one of 1911 would have gone, and inasmuch as it was far vaster in extent, the shifting of policies would have shaken far more the industrial structure of our country to the great injury of the trade of the Dominion.

Reciprocity! I heard hon. gentlemen cheer when the minister said, "If we only had reciprocity". I put it to the government now—there are four or five of them in their seats—

I put the question to them now—and I invite the attention of hon. gentlemen from the fruit districts of Canada; from the fruit districts of British Columbia and of Ontario; from parts of Quebec and the Maritime provinces; and in the hearing of the representatives of the great vegetable areas of this country I ask any member of this government to answer who feels that he can speak for the administration— "If you had a chance to-day to re-enact the old reciprocity treaty of 1911, would you do it?" Who is the member who will answer, yes? Now, behold the silence of the ministry! No; a live reciprocity treaty would not be any use to hon. gentlemen now, but a dead one they can plead. Not a member of the government dare rise in his place to-night and say that he would put fruit on the free list if he had a chance, or that he would put potatoes on the free list if he had the opportunity, but both of those commodities were free under the treaty of 1911. Witness ye members from Saskatchewan! They have learned their lesson from the defeat of that year and they have learned it better every year since. While they have shed artificial tears over the old reciprocity treaty, they are mighty glad it has gone; they would not re-enact it if they had the chance, and they dare not stand in their places to-night and say that they would.

I come back again to the question, how is the treaty to be defended in face of the undoubted and admitted fact that protection is the settled policy of Canada? What is the result of this treaty? It exposes the whole farming population of Canada to the almost unlimited competition of the biggest meat exporters of the world and to the largest dairy exporters of the world. We were told of course this competition would not mean anything. We were told a year ago that because very little butter came in here over a four cents a pound duty, we could rely upon it that very little would come in over a duty of one cent a pound. We were told that unless a flood of butter came to Canada the prices would not be affected. What has experience taught us within the year? Experience has not gone very far yet; it has not gone far enough to get into the season of meat exports, but it has gone far enough to get into the season of dairy exports, and we find that more than four million pounds of butter have arrived in this country already. The Minister of Finance shakes his head. He stood in parliament and gave returns from his department, but why did he not tell this House that those returns included only the butter which was taken out of bond? There was more imported in a month than in a year under conditions before the treaty.

Who are the best judges of this matter in our Dominion? If there is one opinion better than another, whose opinion is it, as to the effect of the Australian treaty on the butter prices of the country? Hon. gentlemen may each have his view; I give mine for what it is worth. I would say it is the opinion of those who have dealt in the article more than anyone else, and everyone knows that is the Burns Company. I have seen letters from the Burns Company, written in stronger terms than that read by the hon. member for East Calgary (Mr. Davis); but his letter is sufficient for me, and his letter has been published. It declares that even in the absence of the shipment of a pound of butter from Australia to Canada, the level of the price of Australian butter will govern the level in this Dominion, and the very existence of the Australian treaty, wiping out all but a negligible protection on that article determines from this time on the price of butter in Canada. The United States of America maintain a duty of eight cents a pound. They do so because they have their protection structure, and they know that to maintain a protection structure, they must, in the words of their president, Mr. Coolidge, build agriculture right into the framework of that protection structure. In doing so, they give to the dairy producers of the United States a protection of eight cents a pound which, by actual statistics put on record in a most comprehensive manner by the hon. member for Lincoln (Mr. Chaplin), gives the farmers of that country as regards their home sales a bonus over the produce of other countries of anywhere from one to eight cents a pound. That, the farmer of the United States is entitled to in a protected country. That, the farmer of Canada is entitled to, and unless he gets it he will submit to no protective system, no matter how necessary it may be.

I ask the Minister of Finance (Mr. Robb), who is responsible for the tariff, whether he will stand in his place and tell the House how he justifies a protection of thirty-five per cent on automobiles and two and one-half per cent on dairy butter? I will ask the Minister of Justice (Mr. Lapointe): How does he justify a duty of thirty per cent on boots and shoes and not a particle of duty on eggs? If I said no more, he might rise and declare that I am complaining about these higher duties. I am doing nothing of the sort; what I do say is this: All productive enterprises in this country must, under world conditions of to-day, have in this Dominion such protection as steadies the Canadian market and assures to

Canadian producers the first and the preferential hold on the market of our own country. While this is the case and essential to the very life of our industry, hon. gentlemen opposite think the farmers of Canada must labour under a handicap of virtually no protection at all on their meats, none at all on their cheese, one cent a pound on their butter, very little on their vegetables, or their fruits, and nothing on their eggs, the great products of the mixed farmers of this Dominion.

Hon. gentlemen say: We can now export paper into Australia free of duty. So we can; and nobody is going to complain of any action which is taken to benefit the paper industry. Indeed, we rejoice if this benefits the paper industry. That is all right; not only are we ready to benefit it, but we are ready to pay a price in order to benefit it. We know we cannot get a treaty for nothing; the concessions cannot be one-sided in our favour. We must pay something; but I will tell you something the Australians did not do when they made their concessions: they did not make them at the expense of the Australian producer; they made them at the expense of the Australian treasury spread over the whole country, and they never opened a rift in the protective tariff structure of that commonwealth. The Minister of Finance said: "Do not be afraid of these imports; we are an exporting country with regard to butter and this determines the price." I think he had his ear attuned to the song which he often hears from hon. gentlemen of the Progressive party. They seem to think that if we are selling some of an article, it does not matter where the Canadian market is at all. The Minister of Finance knows far better than that; he knows that is not true. If it is true, anything the most absurd could be deduced from it. If a statement can be made which fairly approximates to the truth, it is this: that to the extent that the home market consumes the product of an industry, the greater that proportion is, the more that industry is affected and benefited by a tariff. And the greater the proportion of export to the home consumption, the less can that industry be protected. It seems to me this is a general law.

In respect of our wheat where our export is very great as compared with our home consumption, the direct influences and benefits of a protective tariff cannot come in the same degree that they come in the case of other of our productions. But this does not apply to the great dairy industry of this country. The proportion of exports in the case of butter is small, about one-tenth, or in other words, ninety per cent of our production is consumed at home. Does anybody in his senses suggest that the home market, protected, is not better for the farmer here in relation to the goods he sells in Canada than a home market not protected at all? I know the Minister of Finance does not credit any such talk as that. If he does, why did he not address such an argument to his Australian friends? Why did he not say to the statesmen of Australia: You produce a surplus of butter, eggs, cheese and meats. You do not need any tariff against Canada; take it down. We are giving you free eggs; you give us free eggs. Would his argument not have been compelling if there was anything in it? It would have been far more compelling than if applied to Canada. You sell your surplus abroad and nothing else affects your price at home. But if he ever addressed it to the Australians he could not budge them; they did not move an inch, and he brought back a tariff of eighteen cents a dozen against our eggs, six cents a pound against our butter, five cents a pound against our cheese and five cents a pound against our meats—although Australia is the biggest exporter of meats in the world. How is it that Australia did not succumb to these arguments of the Minister of Finance, if indeed they were ever used? Why, the Australian statesmen were just as impervious to that kind of nonsense as the hon. gentleman's colleagues are impervious to reason. Not one single product of Australia has the tariff against it thrown down in this Australian treaty.

We have given Australia a preference on raisins and currants, and to that I have no objection at all. The Prime Minister went through the country saying that I was complaining of it. Never anywhere did I complain of it in respect of such an article, not an article of Canadian production. It may be a sacrifice as regards Canada in the way of a tax on our people, but at least it is spread over the whole nation and it does not undermine any Canadian industry. It is a concession we can afford to make, and more of those concessions would not have been objected to. We cannot expect something for nothing, and this was the kind of concession we should have made unless the government was prepared to overthrow the whole protective structure in this Dominion. I ask the Minister of Finance again: How does he defend exposing the dairy producers of this country to the competition of Australia and New Zealand, in some respects the greatest exporters in the world, while he asks those same dairy producers to submit to a protective system which

he supports and intends to maintain on the whole range of industry in our country? It is true the paper industry and the canned salmon industry are important, but as pointed out by the hon. member for East Algoma (Mr. Nicholson), one mill in this province in forty days could supply the whole market of both Australia and New Zealand for an entire year. Is it worth while doing this universal damage to the dairy industry in order to get business for one mill for forty days?

Let me also point out this difference: The paper industry, valuable though it be, is an industry which is being developed at the expense of a fast depleting resource of this Dominion. It is right, of course, that that resource should be manufactured into paper and sold, but it is not so vitally important to accelerate, to rush to get it out just as fast as we can, that to do so we must eat into the vitals of a truly great industry supporting virtually millions of people. As regards the money which the farmers of this country get from the dairy industry, every dollar stays in Canada, or at least every dollar not spent in buying from another country something which should be kept out. The money is money paid for the hard work of the farmer, his wife and his boys and girls. No proportion of it goes to pay interest on foreign capital, payable out of the land. It is the best money that can be earned and preserved in this Dominion, and it is earned in every province from Vancouver to Prince Edward Island. It is the best, the most valuable portion of the Canadian agricultural structure, and it is that which the minister has exposed and is exposing to an utterly unnecessary peril.

Before the minister went to Australia he was asked from this side to raise the tariff on farm products of this country. He was told plainly in the debate on the French treaty that if he did not do so he would be in no position to negotiate with Australia. As a matter of fact he went there in no position to negotiate; he had no weapons to negotiate with. He had nothing to trade with and so he had to bend the knee and take what Australia gave him. It is true he did try to get an instrument and he made a timid attempt to assert Canada's position. He did propose to come back and raise the tariff on farm products and to give, in view of such elevated tariff, a concession to Australia. But he became frightened and yielded. Why he swerved from that intention we have never been advised. I have never been told, parliament has never been told; but we all have a suspicion. Why did the minister cast away the first treaty he made with Australia? Did he do so at the request of Australia? Not at all; he will not suggest for a moment that he did. Australia passed that first treaty; their government put it through parliament, and that treaty was infinitely better for us than the one which the minister subsequently brought to this House for ratification. True enough, it was not perfect but it was infinitely better than the one we finally got, for it went some distance in the direction which we say the treaty should have taken. I repeat, why did the minister swerve from that treaty and abandon it? Hon. gentlemen who are new to the House do not remember the whole history. The government came into this House day after day, and what did they tell us? Did they tell us that they were somewhat afraid that a raising of the duty on farm products might get them in wrong with the Progressives? If they had so declared I fancy they would have told the truth, for I have no doubt this was the real reason. No; they put up an excuse and misled the House from day to day. They gave us to understand that the reason for the delay in bringing in the Australian treaty was some action on the part of Australia, some regulation as to how much must be made in Canada of Canadian products if we were to get the benefit of their tariff. Everyone knows now that this was a blind and that while the government was singing this song in parliament they were secretly preparing to reverse their whole treaty, to abandon it in fact, and callously to make the Canadian farmer and the Canadian dairyman pay the entire price of the Australian agreement.

I said a moment ago that the best judges should surely be those most intimately engaged in the industry. But I have by no means given the authority of all; I have received communications very numerous on this subject from many parts of the country. I want to read from a letter addressed to me by the Canadian Creamerymen's Association. It is a long letter which from beginning to end is hostile to this treaty, but I am going to quote only two passages and I venture to say that these two passages, in their reflection on the wisdom of this treaty, contain language stronger than has been addressed to the government by any member on this side of the House. Let me quote:

> The cut in duty from 4 cents to 1 cent per pound has wiped out in one blow the fruit of the whole campaign for winter dairying in Alberta.

How does the minister like that language? Is it the language of prejudiced men? It is the language of an association which represents this industry throughout the whole Dominion. Two, three, four cents a pound on butter in the middle of a winter season, when

it is harder to maintain the industry than at any other time of the year, represents the difference between profit and loss, the difference between encouragement, and discouragement, the difference between failure and success. That difference the minister has eliminated, and in eliminating it he has done just what the association says he has done: he has undone the work of the whole campaign for winter dairying in Alberta. I read further:

The treaty was framed in politics, regardless of the needs or opinions of the dairying industry. Its damaging consequences are already imposing hardship upon our people, and undoing all that has been done in the past several decades to build up this foundation block of Canadian prosperity.

If I wanted stronger language I would read the opinions of the Creamerymen's Association of Saskatchewan. I should have thought that the opinion of that institution would have some weight with hon. gentlemen to my left. I do not doubt that those who framed this language—for it appears in their annual report—had in mind the fact that they as part of the taxpayers of our country contribute to the system which exists to-day and that, contributing to it, they are entitled to its benefits. In that contention they are absolutely right. And here is what they say:

Your directors further feel that it is their duty to draw to your attention the impending peril to the dairy interests of western Canada created by the Australian trade treaty, passed near the close of the last session of the Dominion parliament and which came into force on October first of last year. This treaty reduces the duty on Australian butter entering Canada to one cent per pound and permits the entry of Australian cheese duty free. This tariff, unfortunately, is much lower than the British preferential tariff and has already created a competition in Canada against Canadian dairy products which is destined to have a disastrous effect upon the dairy industry of Canada. By virtue of a previous trade agreement with New Zealand these Australian tariff rates, likewise, became automatically operative as far as New Zealand is concerned. The Western Canada Dairy Association is formulating plans to resist the continuance of this trade agreement and a delegation from this body will wait upon the Dominion government shortly to urge for the repeal of this portion of the treaty referred to. Our company will be represented on this delegation.

Hon. gentlemen will recognise that this does not come from rock-ribbed protectionists; it comes from men who are engaged in the farming industry in western Canada. It comes from representatives of the industry in that portion of the country which of all looks least kindly upon the protective tariff. In the face of these opinions, will hon. gentlemen set up the helter-skelter judgment of the Minister of Agriculture (Mr. Motherwell), expressed in that classic tone of which he is so capable, that all this objection is "bunk"? Are hon. gentlemen going to listen to him rather than to the views expressed by those of actual and long experience, and universally expressed without any dissent? I ask the Minister of Agriculture, what does he propose to do?

[Mr. Meighen.]

Mr. MOTHERWELL: I had a talk with them this morning.

Mr. MEIGHEN: The minister had a talk with them this morning. Well, all I hope is that they have had more influence on him than he will ever have on them. The Minister of Agriculture, anxious to find some virtue in the treaty, declares that at least there is a clause in it enabling its cancellation. I am frank to admit that probably this is the best clause of all. But the government should never have been in a position where they could be called upon to cancel the agreement. They are in that position because of their own folly, because of the surrender of the Minister of Finance (Mr. Robb) to the importunities of hon. gentlemen whose principles he knew were diametrically opposed to his own. Let the government reform this treaty; let them reform the treaty in the direction of the agreement which was offered them by Australia itself. Australia offered them a better treaty than the one they ultimately brought into this House. And do not let the government be heard to say that they could not get such a treaty; they got it and came back here and pitched it away because of the importunities of hon. members to my left. Will the Minister of Finance say right now that this is not right? We call upon the government now to remedy this wrong; we call upon them to remedy it, because it cannot continue in this Dominion. The farmers of the country will never consent that protection shall be placed around other industries of Canada while they themselves remain exposed. This Dominion will never consent, and the government knows it will never consent, to the removal of protection upon the industries of Canada. This government will never dare venture further along that course. They may be driven, but they will not venture of their own accord. I think I can measure them pretty well; I have watched them these last few years. Where are they on this tariff issue now? They are under the barn. You cannot get a word from them. All they boast of is that somewhere inside the barn there is going to be "a tariff commission". You cannot get them to announce on what principles they will build their tariff. So knowing, as I know right well, that virtually one and all of them, certainly all but one or two, are just as confirmed protectionists as I am; knowing, as I know right well, that two-thirds of this House

are determined that protection shall be the settled policy of Canada—that two-thirds apply to hon. gentlemen opposite; on this side we are unanimous; knowing, as I well know, that this Dominion by a vast majority of its people has declared for protection every time it has been an issue, and never more decidedly than in the last campaign,—knowing these things, I call upon the government to remove the unsightly lopsided system which they have imposed upon us, and restore to the country a fair, equitable system of protection, to give to the farmers of Canada what they know this people one and all require. Such is the purpose of this amendment.

Hon. gentlemen of the Progressive party say: We are against the Australian treaty, but we cannot vote for this amendment, because if we vote for it we vote against the berry patch in the Speech from the Throne.

Mr. BROWN: The berry patch is in the amendments to the Address, not in the Speech from the Throne.

Mr. MEIGHEN: Well, the child usually runs to the best blossoms, so I ask the hon. member which berry patch he is at himself?

Sir HENRY DRAYTON: He wants them all.

Mr. MEIGHEN: Let me ask: What is the duty of members of this House? The duty of those who believe in the continuance of the condition I have described is clear: Their duty is to vote against the amendment. Every one who votes against the amendment votes for the continuance of this condition of affairs. Does he say that he votes against this new programme? He does not at all. This government went to the country, not on the theory that later it might develop a berry patch, or a list of new promises; not at all. This government went to the country on its record. Hon. gentlemen to my left were elected against that record, they were elected against the government's candidates. I ask those hon. gentlemen to consult their consciences and then to say: Do they feel that being so elected they have a right in this House to vote confidence in the government whose candidates they defeated because the government comes down with a new programme? Those hon. gentlemen were elected on their own record in this House. Included in that record was a vote against the very treaty which is challenged in this amendment. Are they going to vote now against this amendment because of alluring promises held out, handed to them for their support, contained in a Speech from the Throne? Is that constitutional government? Is that doing justice to their position as members of a British parliament? May I ask: What is there in this Australian treaty that justifies you in voting for it for the sake of the promises of this government? Or may I put it the other way: What reliance is to be placed on the promises of this government that justifies you in voting for the continuation of conditions such as I have described?

You, Mr. Speaker, have ruled that we cannot apply to hon. gentlemen of this House, "purchased by legislation." Therefore I will not apply it, and—

Some hon. MEMBERS: Order.

Mr. MEIGHEN: —and inasmuch as that phrase is out of order—

Some hon. MEMBERS: Order.

Mr. MEIGHEN: —I am sure also it would be out of order to say that hon. members were purchased by promises, for such an allegation is infinitely worse. But I ask hon. members in the quiet of their own homes—if any of them have suspicion that voting for this Speech from the Throne and for the condition of affairs I have portrayed has any fitting description in the words, "purchased by promises"—to reflect whether or not it is their duty to do something which, by the rules of this House, is condemned when properly described.

The House divided on the amendment (Mr. Sutherland, South Oxford) which was negatived on the following division:

YEAS

Messrs:

Anderson (Toronto High Park),
Anderson (Halton),
Armstrong (Timiskaming South),
Armstrong (Lambton East),
Arthurs,
Baker,
Barber,
Bell (Hamilton West),
Bell (St. Antoine),
Bennett,
Black (Yukon),
Black (Halifax),
Bowen,
Bury,
Cahan,
Cantley,
Casselman,
Chabot,
Chaplin (Kent, Ont.),
Chaplin (Lincoln),
Charters,
Church,
Clark,
Cotnam,
Davis,
Dickie,
Doucet,
Drayton (Sir Henry),
Duncan,
Edwards (Waterloo South),
Edwards (Frontenac-Addington),
Embury,
Esling,
Fish,
Flemming,
Foster,
Fraser,
Garland (Carleton),
Geary,
Gott,
Grimmer,
Guthrie,
Hamilton,
Hannesson,
Hanson,
Harris,
Hay,
Hocken,
Hodgins,

Hubbs,
Johnstone (Cape Breton North-Victoria),
Jones,
Kaiser,
Kennedy (Winnipeg South Centre),
Ladner,
Langworthy,
Lennox,
MacDonald (Cape Breton South),
Macdonald (Richmond-West Cape Breton),
MacLaren,
Maclean (York South),
MacNutt,
McClenaghan,
Macdougall,
McGibbon,
McKillop,
Maloney,
Manion,
Maybee,
Meighen,
Messervy,
Mewburn,
Morand,
Mullins,
Murphy,
Nicholson,
O'Neill,
Peck,
Perley (Sir George),
Pettit,
Preston,
Price,
Quinn,
Robinson,
Rogers,
Ross (Kingston City),
Rowe,
Ryckman,
Ryerson,
Senn,
Short,
Simpson,
Sinclair,
Smith,
Smoke,
Spence (Parkdale),
Stansell,
Stevens,
Stewart (Leeds),
Stirling,
Sutherland (Oxford South),
Sutherland (Oxford North),
Thompson,
Tolmie,
Tummon,
White (London),
White (Mount Royal),
Wilson (Wentworth).—108.

NAYS

Messrs:

Baldwin,
Beaubien,
Benoit,
Bettez,
Bird,
Boivin,
Bothwell,
Bouchard,
Boucher,
Bourassa,
Boutillier,
Brown,
Cahill,
Campbell,
Cannon,
Cardin,
Carmichael,
Coote,
Darke,
Delisle,
Denis (St. Denis),
Denis (Joliette),
Desaulniers,
Descoteaux,
Deslauriers,
Dionne,
Donaghy,
Donnelly,
Duff,
Dussault,
Elliott,
Euler,
Evans,
Evanturel,
Faford,
Fansher,
Fiset (Sir Eugene),
Fontaine,
Forke,
Fournier,
Gardiner,
Garland (Bow River),
Gershaw,
Gervais,
Girouard,
Goulet,
Guérin,
Hall,
Hatfield,
Heaps,
Heenan,
Howard,
Howden,
Jelliff,
Jenkins,
Johnston (Long Lake),
Kay,
Kennedy (Peace River),
King (Huron North),
King (Kootenay East),
Lacombe,
Laflamme,
Lanctôt
Langlois,
Lapierre,
Lapointe,
Lavigueur,
Letellier,
Lovie,
Lucas,
Macdonald (Glengarry),
Macdonald (Antigonish-Guysborough),
MacLean (Prince),
McLean (Melfort),
Macphail (Miss),
McIntosh,
McKenzie,
McMillan,
McPhee,
Malcolm,
Marcil,
Mercier (Laurier-Outremont),
Mercier (St. Henri),
Millar,
Morin (Bagot),
Morin (St. Hyacinthe-Rouville),
Motherwell,
Neill,
Parent,
Perras,
Pouliot,
Power,
Prevost,
Raymond,
Rhéaume,
Rinfret,
Robb,
Roberge,
Robitaille,
Ross (Moose Jaw),
St. Père,
Sanderson,
Séguin,
Spence (Maple Creek),
Spencer,
Steedsman,
Stewart (Edmonton West),
Stork,
Sylvestre,
Tobin (Richmond-Wolfe),
Tobin (Wetaskiwin),
Totzke,
Vallance,
Verville,
Ward,
Wilson (Vaudreuil-Soulanges),
Woodsworth,
Young (Saskatoon),
Young (Weyburn).—119.

PAIRS

(The list of pairs is furnished by the chief whips.)

Messrs.

Casgrain,
Cross,
Dubuc,
Goodison,
Lacroix,
Power,
Jacobs,
Robichaud,
Boys,
McQuarrie,
Bell (St. John-Albert),
Wright,
Macdonald (Kings),
Stinson,
Bristol,
Culligan.

Mr. BRISTOL: I was paired with the hon. member for Cartier (Mr. Jacobs). Had I voted I would have voted for the amendment.

Mr. CASGRAIN: I was paired with the hon. member for North Simcoe (Mr. Boys). Had I voted I would have voted against the amendment.

Mr. ROBICHAUD: I was paired with the hon. member for Restigouche-Madawaska (Mr. Culligan). Had I voted I would have voted against the amendment.

Mr. T. W. BIRD (Nelson): Mr. Speaker, I wish to address a few remarks to the main motion. I want to make them in the nature of a retrospect of the session so far as it has gone, and to point out the part played by the Progressives.

At the outset we were faced by an amendment by the opposition which at one and the same time was highly technical and very deeply political. That amendment challenged the right of the government to meet parliament and address this House through the lips of His Excellency. The Progressives, after some deliberation, penetrated through the subtleties of the situation, brushed aside the disquisitions of our learned constitutionalists in the House, and listened to the still small voice of common sense. The fact of the matter is, Mr. Speaker, that there is a third

party in this House and some people do not know it yet. The Conservatives attempted to meet the situation by ignoring the third party. We were the poor relation at the feast, to be seen and not heard. But, very politely, very firmly, we refused to be ignored.

The next incident of importance, the incident of chief importance, was the Speech from the Throne coupled with the amendment of the opposition. The Speech from the Throne proved to be distinctly acceptable to the Progressives. The amendment proved to be just as conspicuously unacceptable. Confronted with the two berry patches already alluded to, we chose the Liberal berry patch because the berries seemed more or less real. The others seemed to be hung on. I think that every honest and fair-minded man in this House, including hon. gentlemen to my right, will give the Progressives the credit for voting in line with what they have been advocating in this House for the last five years.

I notice some of the younger members of the opposition have used the threadbare gibe that we have a sort of affinity with the Liberals but I want to say that that kind of taunt is played out. We might have allowed other influences to affect our judgment. We have been reminded over and over again by our friends to the right that we endured four years of disappointment from the Liberals. That was fresh and vivid in our minds. We were reminded that they fought an election against us. That also was vivid in our memory. We might have chosen to play the vindictive role. We might have chosen to kick the Liberals out into utter darkness where there is weeping and wailing and gnashing of teeth. We might have chosen that, but on deliberation we felt that we had not been sent here to indulge in petty party recriminations; and that applies to my hon. friends to the right as well as to the Liberals. It would have been an easy matter to us to forget what our constituents sent us here for. It would have been an easy matter to allow our judgment to be warped by what we had gone through a few weeks ago. But we did not choose that course. The advent of a third group into this House is bringing many innovations. Such a thing as political forgiveness may sound strange on the ears of hon. gentlemen; this House has never known such a thing. But I want to tell the Liberals and I want to tell the Conservatives that we forgive them from the bottom of our hearts. We have much to forgive, and therefore we hope we may be loved much.

We are told by our friends to the right that the Speech from the Throne was a bribe, and the leader of the opposition (Mr. Meighen) repeated the charge a short while ago. Well I want to say, Mr. Speaker, that if the present Speech from the Throne is a bribe then every Speech from the Throne for the last generation has been a bribe, and both parties were equally engaged in the bribing. The Speech from the Throne as a parliamentary institution has changed its character considerably from what is was in the old days when political parties began the session in just about the same way as the British and French armies began the battle of Fontenoy, by inviting each other to fire the first shot. The times have changed since then. Grim realities have entered parliament and have greatly changed conditions. Parliament is not what it used to be when party distinctions were clear cut. In modern parliaments, most of all in a country like Canada, it is impossible for any government, I do not care how big its majority is, to bring down a Speech from the Throne which could not be described as a bribe in the sense that the gentlemen to our right are using that word. The leader of the opposition a few moments ago, addressing his remarks to the government, in this connection said it was one of the most startling, one of the most unusual things, for a government to place in its Speech from the Throne a promise to complete a public work. The leader of the opposition was speaking rashly when he said that; he should have known that it is not unusual. He should know that that thing has been done and done by a Conservative party. Lest I should be charged with speaking rashly I will quote the chapter and verse. In Hansard of 1912-13, volume I, I read from the Speech from the Throne, a Conservative Speech from the Throne. It says:

> A contract for the construction of the Hudson Bay railway from Le Pas to Port Nelson has been awarded and the work is being pushed forward with all possible speed.

Mr. MEIGHEN: Does the hon. gentleman not see the difference between an announcement of that kind and an announcement of public policy?

Mr. BIRD: I contend that paragraph is a berry patch just as purple as the face of the right hon. gentleman should be at this moment. Now I wonder what has happened to this Hudson Bay berry patch during all these years. I was reminded by someone sitting near me that sometimes the reason why the berries are not picked is because there is a bear in the berry patch. All these years this berry patch has been dangled before our eyes, and we have not yet picked a berry from it, and I think we will find the

bears somewhere, to use the words of an hon. member, on St. James street, Montreal. Every time the Hudson Bay railway is mentioned as a practical proposition the bear makes its appearance, and the berrypickers are frightened of him again.

I was very much struck by a reference made by the hon. member for Frontenac-Addington (Mr. Edwards) in this same connection. He said the Labour party and Progressives were like Robin Hood. That stirred up in me a lot of associations. I remember as a young man turning from the old school of English Toryism to become a Radical—not in the present sense of the word, but to become the thing I have been ever since; that is, to be on the side of the bottom dog all the time, and that is where Robin Hood used to be. I never saw an allusion that miscarried as much as that, and I will tell you why.

Mr. McGIBBON: Does the hon. member admit the government is the bottom dog in this case?

Mr. BIRD: The hon. member knows more about dogs than I do, but you know that this beautiful legend of British tradition came right out of the hearts of a suffering people. Unfortunately, literary history and secular history have been so taught that the hon. member for Frontenac-Addington actually believes that Robin Hood was a bold, bad man. His education has not been complete. I am not sure that I can tell the House much about Robin Hood at present. The time has been too short for me to inquire into the legend, but I am only using this as a parallel. The legend of Robin Hood—it is not much more than legend—came into existence because of the savage persecutions maintained in England after the Norman invasion. Robin Hood was a true British man who would not put up with game laws—and no British man has ever been able to put up with game laws, unless he profited by them. He was one of the first men in British annals who protested against special privilege. I have been trying to hunt up one of the famous Robin Hood tales.

Mr. EDWARDS (Frontenac-Addington): If the hon. member will allow me to interpolate, I gave Robin Hood credit for his motives and his kindness of heart, but it was his methods I objected to.

Mr. BIRD: Yes, I am going to give him credit for both. In order to come as near to the spirit of Robin Hood as I can, I am going to quote from Wordsworth's poem, "Rob Roy," a good old Scotchman. Wordsworth copied this ballad from the Robin Hood ballads, and it applies as much to Robin Hood as to Rob Roy. They are both Roberts, and it is a good old English name. He says of Rob Roy:

> For thou, although with some wild thoughts,
> Wild Chieftain of a savage Clan!
> Hadst this to boast of; thou didst love
> The liberty of man.
>
> And had it been thy lot to live
> With us who now behold the light,
> Thou would'st have nobly stirred thyself,
> And battled for the Right.
>
> For thou wert still the poor man's stay,
> The poor man's heart, the poor man's hand;
> And all the oppressed, who wanted strength,
> Had thine at their command.

That applies to Robin Hood as much as to Rob Roy, and more. I will now quote from a well known ancient English ballad. Rob Roy had been asked by his merry men what kind of methods they should use—methods now—and he said:

> But loke ye do no housbonde harme—

That is the farmer.

> That tylleth with his plough;
> No more ye shall no good yeman,
> That walketh by grene wode shawe,
> Ne no knyght,—

He was very broad.

> Ne no knyght, ne no squyèr,
> That wolde be a good felawe.

That was the spirit of Robin Hood. I was looking in the Encyclopedia Britannica, and it says that Robin Hood in the middle ages "is the people's ideal as Arthur is that of the upper classes."

It seems rather strange that the cycle should be complete. We have an Arthur and a Robert here. Then it says he "is the ideal yeoman"—we know the significance of the yeoman in British history—"and Arthur was the ideal knight." That is, the feudalist knight. "He readjusted the distribution of wealth. He deprived the rich and endowed the poor. He was a great sportsman, the incomparable archer"—he loved to pull a long bow, but not in the sense that the hon. member for Frontenac-Addington (Mr. Edwards) pulls it when he addresses the House. "He was a lover of the greenwood and the free life, brave, adventurous, jocular," —just like my hon. friend and leader—"openhanded"—the parallel breaks down a little there; my leader is a Scotsman—"a protector of women." My leader leads the only party which sufficiently believes in the feminine movement to elect a woman to parliament. The knights of King Arthur's table protected women, but they were the women of their own class. That was a one-sided pro-

position, but this knight of Sherwood forest protected all kinds of women. He had the heart to do that. He was not a low brow. Shakespeare described these men in one of his plays when he said that they could find "books in the running brooks, sermons in stones, and good in everything." But the knights of King Arthur's round table did not see good in everything and it was because they could not that they did not last. It is a great pity that Tennyson was an aristocrat. If he had been a man of the people, he would have written the Idylls of the Knight of Sherwood Forest, because it is the spirit of that bold, good man that has followed the movement of the people down through all these centuries and that is still embodied in the people of that beloved country to-day in a way that it is not in those of any other country in the world. It owes much to the example of men like that and it is these men that special privilege and vested interest have attempted to wipe off the annals of our glorious country. A party such as the one with which I am associated can find much to admire in these humble men who suffered so atrociously and cruelly all the way through our history at the hands of special privilege. In those days special privilege stood out in all its horrors. These knights of King Arthur's table were not what they said they were. They kept their underground dungeons into which they thrust men like Robin Hood, Wat Tyler and the rest of them. Special privilege is all right to contemplate nowadays—

Mr. LENNOX: I am a lawyer and I voted in favour of the farmer. How did the hon. member vote?

Mr. BIRD: That is the quarter from which we get all the condemnation of class representation. I never said that I voted for the farmers. I voted for my constituents, who are not all farmers.

So much for the Speech from the Throne. We will take our stand alongside the Robin Hood tradition and not alongside the cruel and conscienceless Norman barons who invaded free England in the eleventh century. The fight has gone on ever since; it is just as real to-day as ever it was. There has been no break in either of those traditions.

Now we had an amendment from the government to adjourn the House and the Progressive party acted quite logically; that is, they accepted the Speech from the Throne; they wanted to see that legislation come into force; they wanted this government to carry on, not merely by leave of the opposition, but effectively and with despatch—

Mr. CHAPLIN (Lincoln): By adjourning.

Mr. BIRD: —and all those arguments that make the plea that the government because it cannot carry on now, cannot carry on at all, are palpably far-fetched. Time alone will tell whether there is anything in that argument or not. There is talk about waste of time and perhaps our friends over there have been to blame as well as the Conservatives; but unfortunately waste of time is a normal feature of this House. It did not begin to-day; it did not begin a few weeks ago. A committee was formed in the last parliament to study this very question, to try to take up this slack. We know that our parliamentary rules, especially as they apply to a debate like this, are totally out of date. We know that the rules in respect to a debate like this are so lax that it is just as easy for an opposition of half the strength of this one to prevent the government from doing business as it is for a number of bad boys to wreck a railway express. There is no trick to it at all; just go on moving amendment after amendment. So we make no apology at all; we have not been the party that has wasted time in this House either during this session or in the last parliament.

I come to the last amendment, the one that has just passed the House.

Some hon. MEMBERS: No.

Some hon. MEMBERS: It was defeated.

Mr. BIRD: Well, it passed in disgrace. Our friends to the right have charged us with voting down this amendment condemning the Australian treaty when we voted against the Australian treaty in the last parliament. That is what the leader of the opposition (Mr. Meighen) went out of his way to try to prove. They forget that we voted against the Australian treaty—

Mr. SPEAKER: May I remind the hon. member that he may not discuss an amendment which has been disposed of by the House?

Mr. BIRD: I very much regret to have transgressed the rules. I had almost reached the point where I thought it was impossible to transgress them. I suppose I can discuss the essence of the amendment, which was high protection for Canada. This amendment—

Some hon. MEMBERS: Order.

Mr. BIRD: I do not wish to transgress the rules very much—just a little bit. I want to get a start for the next thing I desire to say. I was going to say that this amendment like the first one—

Some hon. MEMBERS: Order.

Mr. BIRD: I was going to say that high protection was at the heart of the last amendment and it was at the heart of the first one. The second one was a clever repetition of the first one. I do not say that in a bad sense at all.

Some hon. MEMBERS: Order.

Mr. BIRD: I am trying to compliment hon. gentlemen to my left by saying that they were clever, and their purpose is this—and I do not blame them for it—to drive a wedge through the low tariff opinion of this country. That is a perfectly legitimate line of tactics. If you can win over the horticulturist, the truck farmer, you will have a good point of vantage as regards the dairyman and some day as regards the cattle man and maybe the wheat man. My hon. friends believe in climbing up a step at a time and I do not blame them for that. Frankly speaking, I am one of those who believe and have believed for some time that their tactics are going to get a measure of success, because the appeal to self interest is the most powerful appeal when you come to political questions. If you can persuade any class of farmers that protection will pay, you will win over those farmers because farmers are no better than any other Canadians.

Mr. SUTHERLAND (North Oxford): Does the hon. member imply that the five Progressives who voted contrary to his party are more selfish than the rest of the Progressives?

Mr. BIRD: Not at all. I have known three of them a good deal longer than I have known the hon. gentleman and I am sufficiently well acquainted with them to know that they stand high in the esteem of the Progressive party. I am sure that any course they have taken this session is as conscientious as any course I have followed myself. When discussing this matter just now I was merely pointing out that the temptation to vote against the government was very real to all Progressives, including these five gentlemen and no one outside of the Progressive party will know how real it was.

Some hon. MEMBERS: Oh, oh.

Mr. BIRD: Hon. gentlemen to my right should accustom themselves to have the very best opinions of the motives of others. The Canadian farmer is no different from the American farmer, and if the American farmer has chosen protection I see nothing to prevent the Canadian farmer from doing the same if he believes that he can derive any benefit from so doing. But the going for our protectionist friends will become heavier and heavier as they get away from the truck farmers to the grain growers. The ease with which they have converted the small farmers on the fringe of the big cities is no index to the job they will have on their hands if they attempt to convert the grain growers of this country. I regret to say it, but I think that this is a right estimate of the average Canadian farmer. They are not all like my hon. friend to my left (Mr. Evans), who would advocate theoretical free trade through thick and thin. There is a big sprinkling of such free traders through the west, but I do not think that the average Canadian farmer is just like that; and if our friends want to make a breach in the generation-old phalanx of rural Canada they must do a lot of persuading, and they must not be too particular on what they base their persuasion. They must appeal to self interest.

The American farmers have accepted protection, but there is one thing that hon. gentlemen have forgotten, and that is that the American farmers, having experienced protection for two or three years, are at the present time agitating for the privilege of fixing prices on wheat. Now I want to say something that has not been frequently said in this House; it has not been said for the reason that the position of the farmers' organizations of this country has not been apprehended by members of this House. Since the beginning of last parliament we have seen grow up in western Canada one of the biggest co-operative organizations in the world, which to-day is marketing 70 or 80 per cent of its wheat through one channel. What does that mean? It means that in a short time the farmers of the west will all be marketing their product through the same channel. And what are these Canadian farmers going to do? If we take hon. gentlemen at their word, and believe with them that Canada has for all time decided for protection, what is the commonsense wheat grower of the west going to do?

Mr. MULLINS: Are you speaking for the wheat farmer or the man who is engaged in diversified farming?

Mr. BIRD: The question is a polite one but I do not see its relevancy. I was talking about the wheat pool and I was saying that if what our friends contend is true, that Canada has for all time to come accepted protection as the policy for this country, then something must happen within the ranks of the organized farmers of Canada. If you can persuade the farmers of this country that

protection has come to stay, then they are going to come to parliament and, if the Conservatives happen to be in power, they will say, "Now then, your brick for brick policy fits in very nicely. We want 40 per cent of a duty on wheat and if the United States duty goes up to 70 cents, then brick by brick the Canadian farmer will demand that the tariff on this side be built up to that level". Then, poetic justice coming to pass, what will happen with a body of farmers controlling a stable commodity marketed through their own agency? They are going to fix prices just as much as the Ford motor works fix their prices. That will be the outcome, and when that happens the theory of protection will explode in universal derision. The part of the body politic who are at present unprovided for will at last have got their feet into the trough and will shove the other hogs along and out in order that they may share in the contents. You say that this is a very imaginary picture I am drawing, but it is not; it is very present in the minds of the farmers to the south of us in the Dakotas and in the wheat growing areas generally in the United States. And more than that, it has got to be practical politics there. It is very well known that the late Secretary of Agriculture in the United States, in the post-war period, was in favour of a price fixing arrangement whereby the American farmer could sell his product on the home market at a price that would recoup him for the cost of production. Let me quote from Henry C. Wallace's book, Our Debt and Duty to the Farmer. At page 200 he says:

> The sole purpose of the McNary-Haugen Bill was to re-establish and maintain the normal pre-war ratio between the prices of agricultural crops of which we produce an exportable surplus and the general commodity-price index, thus putting agriculture somewhat near an equality with industry and labour.

Then again at page 202:

> This bill met with astonishingly violent opposition. It was fought by grain dealers and exporters who thought it might interfere with their business; by laissez-faire economists; by those who want nothing done to relieve discontent which makes grist for their political mill; by opponents of the protective tariff system who saw in this an application to farm needs of the tariff principle; by representatives of the industrial interests who want nothing done to increase domestic prices of food products; and by many who did not study the measure for themselves but accepted at par the unintelligent criticisms made against it.

Now that is proof beyond all doubt that a movement is on the way in protectionist America whereby the farmers may recoup themselves for the cost of their production—and in the United States they have no wheat pool.

Mr. LENNOX: May I ask the hon. gentleman, if the Australian treaty protects the Australian farmers on eggs to the extent of 18 cents a dozen, what objection has he to that so far as our farmers are concerned?

Mr. BIRD: I am dealing at present with the price-fixing problem that will be precipitated if my hon. friends get their way. In Canada the wheat farmers are in an infinitely better position to take advantage of this kind of thing than the United States farmers have ever been; and as I say, if it is true that protection has come for good, then for these men on the western plains who have to send their surplus to Europe it seems to me there is only one issue: they should use their combined selling effort in order to do exactly what the manufacturers want to do under protection—raise the price of wheat to a point where it will pay them for their labour and invested capital. I do not think they will ever want 10 per cent like the Canadian Pacific Railway, or 20 per cent like the banks; but they surely have the right to demand that their return on their product should be equivalent to what they have invested in the way of labour and capital.

Now, Mr. Speaker, my voice is getting weak. My purpose in rising was not to go into these matters very extensively, but to give the House an opportunity to say whether it had had enough of amendments or not. Therefore I beg to move the following motion, seconded by the hon. member for Rosetown (Mr. Evans):

> That this question be now put.

Mr. SPEAKER: Is it the pleasure of the House to adopt the motion?

Mr. C. H. CAHAN (St. Lawrence-St. George): Mr. Speaker, I understand that moving the previous question permits one to discuss the whole matter at length. Therefore, unless the leader of the House desires me to continue, I beg to move the adjournment of the debate.

Motion agreed to and debate adjourned.

ADJOURNMENT—WEDNESDAY SITTING

Mr. LAPOINTE: Mr. Speaker, I beg to move, seconded by Mr. Robb:

> That when this House adjourns this day, it stand adjourned until three o'clock in the afternoon.

Motion agreed to.

On motion of Mr. Lapointe the House adjourned at 12.10 a.m. (Wednesday).

Wednesday, February 17, 1926

The House met at three o'clock.

NATIONAL MONUMENT, CONNAUGHT SQUARE

On the Orders of the Day:

Sir GEORGE PERLEY (Argenteuil): Mr. Speaker, I desire to say a word in regard to the position which has been suggested for the new war memorial in Ottawa. I notice that Saturday Night of last week states that the memorial to commemorate the services and sacrifices of Canadians in the Great war will be erected by the government on Connaught square near the post office. The design as shown in the cut in Saturday Night is a very fine one. I should say that it would be a magnificent memorial to those who fell in the war. But I want to submit with all the force I can that Connaught square in front of the post office is not the proper place for it. I think most hon. members of the House will agree with me that there is no room at that point for a memorial of this size and description. That part of the city is congested at present. We need that open space in the heart of this city, and it seems to me that some very much more fitting place could be found for this magnificent memorial as shown in the cut in Saturday Night. I would suggest to the Minister of Public Works (Mr. King, Kootenay) and to the government that, although in years gone by objection has been taken to placing any statue or memorial in front of the Parliament Buildings, this is a special and unique memorial; it is in memory of those who fell in the war, something that we hope will never occur again, and is therefore deserving of the best location we can give it. I suggest that the middle of the walk in front of the buildings would be a suitable and striking place for it and that the site be circular in form. In any case I urge on the government, if they have decided to put the memorial on Connaught square, to reconsider the decision because I am certain that some more satisfactory place can be found in this city for a memorial of this kind.

Hon. JAMES H. KING (Minister of Public Works): I might say in reply to my hon. friend that the whole matter was very carefully considered before the beginning of the competition which resulted in the memorial shown in Saturday Night. It is true that Connaught square is limited in area, but taking the squares in cities generally, they are all similarly restricted. Those who have been advising the government came to the conclusion that Connaught square offered the best site for the memorial. I will send my hon. friend the booklet the department got out at the time the competition was entered into and a description of the memorial designed to be set up in that square. I will be very glad to talk to my hon. friend about it, because we do realize that the square is somewhat cramped. But if you take the view coming up Sparks street or Wellington street and looking towards the square, you will find the monument will stand out very well. However, I will be very glad to confer with my hon. friend and give the matter consideration.

Sir GEORGE PERLEY: What the minister says is quite correct. The memorial would be seen well from every point of the city coming towards it, but the base of this monument is 24 feet by 26 feet, and I submit to the minister that there would be very little space left after the monument was placed there, and that there would be too great a congestion right in the heart of the city.

Mr. McGIBBON: Will the minister undertake to have the matter discussed in the House before it is finally settled?

Mr. KING (Kootenay): Yes, an opportunity will be afforded for discussion.

DEATH OF QUEEN ALEXANDRA

On the Orders of the Day:

Mr. SPEAKER: I have the honour to inform the House that I have received the following resolution from the Senate:

> The Senate doth unite with the House of Commons in their Address to His Most Excellent Majesty the King, expressing the deep regret and heartfelt sorrow of the House at the demise of Her Majesty the late Queen Mother Alexandra, and have filled in the blank space therein with the words "Senate and."

And also a second resolution:

> Requesting this House to unite with the Senate in an Address to His Excellency the Governor General praying His Excellency to transmit the Joint Address of both Houses to His Most Excellent Majesty the King, expressing the deep regret and heartfelt sorrow at the demise of Her Majesty the late Queen Mother, in such a way as to His Excellency may seem fit, in order that the same may be laid at the foot of the Throne, and that they fill in the blank space therein with the word "Commons."

TRANSPORTATION OF COAL

SEVEN DOLLAR RATE ON ALBERTA COAL

On the Orders of the Day:

Mr. J. E. ARMSTRONG (East Lambton): I would like to read this telegram and to ask two questions:

> Seven dollar rate on Alberta coal is stopped needing fifty cars more to meet the immediate demand my stock of fuel has dwindled to ten tons although I had

stored some since July and made contract with the largest manufacturer of coke for eight cars per month they fell down to six last month and not one car shipped this month have schools and street railway contracts and not three days supply on hand situation very acute.

WM. BUCHANAN.

Mr. Buchanan handled over one hundred carloads of Alberta coal last season and I am at a loss to know why the government do not act in regard to this matter. They have received, I am satisfied, many requests from western Ontario and, in fact, from all parts of Ontario to do something to relieve the coal situation. There is no use of the Minister of the Interior (Mr. Stewart) telling members of parliament from Ontario to look to the fuel controller of that province, because he is powerless to act.

Some hon. MEMBERS: Order.

Mr. ARMSTRONG (Lambton): I am going to ask a question. If necessary, I will move the adjournment of the House.

Mr. BOIVIN: That has already been done.

Mr. ARMSTRONG (Lambton): Let the minister tell the House what he has been doing. I want to ask what the minister has done and what he intends to do in regard to this matter.

Hon. CHARLES STEWART (West Edmonton, Minister of the Interior): The minister intends to act on the request of the fuel controller of Ontario. So far, the minister has not heard from that fuel controller. Might I ask the hon. member where Mr. Buchanan lives?

Mr. ARMSTRONG (Lambton): London, Ontario.

Mr. STEWART (West Edmonton): The fuel controller of Ontario is acting on behalf of that province for the distribution of coal, and so far as I am aware, we have from him no communication whatever.

RATE ON NOVA SCOTIA COAL

On the Orders of the Day:

Mr. THOMAS CANTLEY (Pictou): May I ask the Minister of the Interior (Mr. Stewart, West Edmonton) whether he has seen Sir Henry Thornton to-day in regard to freight rates for the transportation of 15,000 tons of coal from Sydney Mines? I understood, as did some of our friends on this side, from the Minister of the Interior that he was anxious to facilitate this matter and that at the earliest opportunity he would see Sir Henry Thornton. I saw him in the city to-day and I should like to know whether the minister also has seen him and whether he can give to the House some assurance that the rate will be put into force.

Hon. CHARLES STEWART (West Edmonton, Minister of the Interior): I did not know Sir Henry Thornton was in the city; that is news to me. May I say again however, in the hope that I shall be able to get it across to hon. members opposite, that neither the government nor any member of the government is negotiating freight rates with the Canadian National Railways; that is the prerogative of the railway company itself. As I have repeatedly declared, I am willing to use my good offices in the matter, but beyond that I can do nothing.

Mr. CANTLEY: Mr. Speaker—

Some hon. MEMBERS: Order.

Mr. CANTLEY: Pardon me for asking—

Some hon. MEMBERS: Order.

Mr. CANTLEY: I may ask another question with the permision of the Speaker.

Some hon. MEMBERS: Order.

Mr. SPEAKER: I understand that the hon. member desires to put another question.

Mr. CANTLEY: I take it, Mr. Speaker, that I have your permision to ask another question of the minister. Is it the intention of the minister to implement the promise he made us on this side the other day to see Sir Henry Thornton in order to facilitate the movement of coal from Nova Scotia?

Mr. STEWART (Edmonton): I certainly shall be willing to do that at any time, but that is not the implication that hon. gentlemen wish to convey. And that is the point I desire to make clear. I have repeatedly stated that I am ready to use my good offices, but I am not going to be put in the position in which hon. gentlemen are endeavouring to place me as being a negotiator in the matter of freight rates.

NEW ZEALAND PREFERENTIAL TARIFF

On the Orders of the Day:

Mr. RAYMOND MORAND (East Essex): Was the Government notified of customs regulations C No. 34, New Zealand, requiring fifty per cent Canadian labour and material and not fifty per cent British Empire labour and materials for entry under preferential duty? If so, does the government know that this regulation closes the New Zealand market to practically all automobile manufacturers in Canada? What remedial steps are being taken to correct this condition?

Hon. J. A. ROBB (Minister of Finance): Through the courtesy of my hon. friend in advising us yesterday that he was going to ask this question, I was enabled to check up the records, and I am now in a position to give him a reply which, I hope, will be reassuring to the industries in his constituency as well as to similar industries in other parts of Canada. I have the following memorandum:

1. The Department of Trade and Commerce received a copy of customs regulations C No. 4 New Zealand. There is nothing in the new regulations to bear out the statement that the regulations require fifty per cent Canadian labour and material and not fifty per cent British Empire labour and material, to enter under a preferential duty. The new regulations, to be in force as from the 1st April, 1926, are practically the same as the former regulations, excepting that "one-fourth of the factory or works cost" is changed to read "one-half of the factory or works cost." Among "the classes of goods which shall be deemed for the purposes of the Customs Amendment Act, 1921, to be the produce or manufacture of countries the produce or manufacture of which are entitled to be entered for duty under the British preferential tariff," section 5, (d) of the regulations enumerates the following:

"Goods partially produced or partially manufactured in such countries; provided that the final process of manufacture has been performed in one of such countries—

That is, British countries.

—and also that the expenditure in material produced in such countries and or labour performed within such countries (calculated subject to the qualification in the next succeeding regulation hereof) in each and every article is not less than one-half of the factory or works cost of such article in its finished state."

I wish to direct the attention of my hon. friend and the House to this:

2. Instead of closing automobile factories in Canada, the new regulations will encourage the manufacture of the increased proportion in Canada or within the British Empire.

The new regulations have been published in the Canadian Commercial Intelligence Journal dated December 12, 1925.

Mr. MORAND: Might I ask the Minister of Finance whether he has seen the interpretation put on that regulation by Mr. Stevenson, official representative for New Zealand at New York, which is the interpretation that the automobile manufacturers have at the present time and upon which they have practically ceased manufacturing for export to New Zealand?

Mr. ROBB: I have not seen that interpretation, but I wish to make it clear again that, as I understand the matter, under the New Zealand regulations, the final process must be in Canada; that is, one-half of the work could not be done in a British country and then shipped to the United States and finished there. The United States cannot take advantage of the conditions which are made cast iron that the final process must be within a British country.

CANADIAN GOVERNMENT MERCHANT MARINE

SHIPMENT OF CATTLE TO GREAT BRITAIN

On the Orders of the Day:

Mr. H. A. MULLINS (Marquette): I have in my hand a communication which I would like to read for the benefit of the Minister of Agriculture (Mr. Motherwell), in order to get his opinion and answer in reference to the Canadian Government Merchant Marine. This letter pertains to the live stock industry, one of the basic industries of this country, and it reads:

In our conversation a short time ago you were anxious to know how the first shipment of cattle on the ss. "Ontario" turned out. As you are aware she left St. John on the night of January 24, and was in the worst storm on the Atlantic in a period of over thirty years. The steamer discharged fifty per cent of her cattle at Birkenhead on the night of February 7, after having stopped at Queenstown on account of a shortage of coal. From Birkenhead to Glasgow the master cabled she made a speed of eleven knots per hour and discharged her cattle in Glasgow in excellent condition. The most of the cattle were on the lower decks of the steamer.

I want to emphasize that so that the minister will understand the situation:

Mr. Irwin cabled the following: "Cattle weighed as usual shrinkage 5.90 to seven per cent the lowest on record for winter journey."

It speaks phenomenally for the live stock industry that, after coming through such a terrible storm at sea, our Canadian cattle stood up so well on that journey. The Live Stock Producers' Limited have taken these ships of the Jensen line and refitted them. Why cannot the government merchant marine ships be fitted in a similar way to those of the Jensen line so that they may be used in helping the live stock industry of this country?

THE AUSTRALIAN TREATY

On the Orders of the Day:

Mr. PETER HEENAN (Kenora-Rainy River): I desire to call the attention of the government to a Canadian Press cable from London which appeared in the Mail and Empire of the 16th instant with reference to the debate in this House on the Australian treaty. According to this communication, Representative Rodgers of the Australian parliament, referring to the discussion in the Canadian House of Commons on the treaty between Canada and Australia—

—suggested that the government should inform Canada that Australia cannot allow a treaty solemnly made

after great deliberation to become a political plaything of the three parties in Canada. When the treaty was negotiated many other countries were prepared to give Australia trade advantages but Australia preferred this treaty as an empire family matter, he said.

Some hon. MEMBERS: Order.

Mr. HEENAN: The despatch goes on:

Premier Stanley Bruce said that as head of the government—

Some hon. MEMBERS: Order.

Mr. SPEAKER: I take it for granted that the hon. member will conclude by putting a question.

Some hon. MEMBERS: Exactly.

Mr. HEENAN: I will read just one sentence and base a question upon it.

Premier Stanley Bruce said that as head of the government he could not express his views on any action which the Canadian parliament might take regarding the treaty, which Australia welcomed for the reason that it might do something to promote reciprocal trade within the British Empire.

In view of the vote which was taken in this House last night, will the leader of the government intimate to the Australian authorities that we do not in Canada treat our treaties as scraps of paper?

Hon. J. A. ROBB (Minister of Finance): Answering the question of my hon. friend—

Some hon. MEMBERS: Oh, oh.

Mr. ROBB: I do not mind saying that the hon. member informed me before coming into the House that he would ask the question. I read in yesterday morning's press a despatch from Australia giving a purported interview by Representative Rodgers and I was a bit disturbed in consequence. Representative Rodgers was, on the occasion of the negotiation of the treaty, Minister of Trade and Customs in the government of Mr. Hughes and although he was defeated in the election of that year he was re-elected in the recent election.

Mr. MEIGHEN: How old is he?

Mr. ROBB: He is between forty and forty-five and is a very estimable gentleman like my right hon. friend. I hope our friends in New Zealand and Australia will not take too seriously the debate we have had in the House recently.

GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

The House resumed from Tuesday, February 16, consideration of the motion of Mr. J. C. Elliott for an Address to His Excellency the Governor General in reply to his Speech at the opening of the session, and the proposed motion of Mr. Bird: "That this question be now put."

Mr. C. H. CAHAN (St. Lawrence-St. George): When I rose in my place last evening and temporarily gave way to the member for Toronto East Centre (Mr. Bristol) I did not know whether he was rising to a point of order or merely to register a pair, but in the practice with which I had been familiar I took it for granted that in giving way to another member by courtesy one did not lose one's precedence. Nevertheless, I abide by the ruling of the Chair and I intend, with the permission of the House, to proceed to discuss the previous question. The authorities on parliamentary practice note in all the volumes that the chief object of moving the previous question is to prevent an amendment to the main question and thus to force a direct vote on the main question to the exclusion of all possible amendments. I remember that so recently as 1913, when the previous question was moved in this House, hon. gentlemen opposite, whom I am glad to see still here, spoke of it as a most shameful proceeding on the part of the government of that day to gag public debate and prevent the free expression of opinion in the parliament of this country.

I have not yet had the privilege of speaking on this Address, but I had given notice to my friends on this side and, through the press, to hon. gentlemen opposite, that at the earliest opportunity I intended moving a simple vote of want of confidence in this government by way of amendment to the Address in reply to the Speech from the Throne. That was well known to hon. members on both sides of the House and perhaps I am not mistaken in deducing that while hon. gentlemen opposite, in view of their attitude in 1913, felt that they could not pursue a course which they had at that time described as so shameful, they had nevertheless secured the co-operation of the hon. member for Nelson (Mr. Bird) on this occasion.

Mr. BIRD: I rise to a question of privilege. I totally repudiate the suggestion of the hon. member.

Mr. CAHAN: I still persist in my statement, although I accept the hon. member's denial so far as it goes.

An hon. MEMBER: Withdraw.

An hon. MEMBER: Take it back.

Mr. BIRD: I rise to a question of privilege, Mr. Speaker. My repudiation goes all the way. I entirely repudiate the suggestion that there was any co-operation between the government and myself.

Some hon. MEMBERS: Withdraw.

Mr. SPEAKER: Order.

Mr. CAHAN: Mr. Speaker, I am bound to accept the statement of the hon. member for Nelson, so far as it goes; but I hope before this debate has proceeded too far some hon. gentlemen on the other side of the House will declare also that they have not directly or indirectly procured the moving of a motion that they themselves were afraid and ashamed to move.

Mr. GARLAND (Bow River): Mr. Speaker, I rise to a point of order.

Some hon. MEMBERS: Sit down.

Mr. GARLAND (Bow River): The hon. member for Nelson repudiated the statement made by the hon. gentleman who is speaking—

Some hon. MEMBERS: Order.

Mr. GARLAND (Bow River): —that any negotiations had taken place between the Liberal party and himself with respect to the motion he made last night. The hon. member who is now speaking persists—

Some hon. MEMBERS: Order.

Mr. GARLAND (Bow River): He persists in asserting—

Some hon. MEMBERS: Order.

Mr. GARLAND (Bow River): Mr. Speaker, I am debating a point of order.

Mr. SPEAKER: Order.

Mr. CAHAN: Mr. Speaker,—

Mr. SPEAKER: Order. The hon. member for Nelson has denied that there was any arrangement between himself and the government with reference to the motion he made last night, and I understand that the hon. member for St. Lawrence-St. George has accepted his denial.

Mr. MEIGHEN: Mr. Speaker, before the—

Some hon. MEMBERS: Order.

Mr. MEIGHEN: It is true the denial was accepted, Mr. Speaker, but I hope it is not understood that the hon. member for Nelson was able to speak for the government as well as for his own side.

Some hon. MEMBERS: Order.

Mr. LAPOINTE: Mr. Speaker, if the right hon. gentleman desires to have the repudiation of the government of the statement made by the hon. member for St. Lawrence-St. George, I rise to repudiate it.

Mr. SPEAKER: This is apparently a love feast, so we may accept the statements of both sides and proceed to business.

Mr. CAHAN: Mr. Speaker, in order to clarify the atmosphere, I might also suggest that before this debate is closed the hon. member for Brandon (Mr. Forke), the leader of the Progressive party, might declare to this House whether or not the hon. member for Nelson in moving the previous question was doing so with the authority of the leader of the Progressive party and with the approval of his fellow-members of that party in caucus assembled.

Mr. FORKE: I have no doubt, Mr. Speaker, that the hon. member for St. Lawrence-St. George would like to know all about the policy of the Progressive party.

Mr. CAHAN: Not only does the member for St. Lawrence-St. George have a vital interest in the matter, because there is a vital public interest in it, but the people of this country have a right to know the attitude of the hon. leader of the Progressive party when an attempt is made by one of his followers in this House to do what hon. leaders of the Liberal party have time and time again declared to be an attempt to gag the expression of public opinion. While I am bound to accept the statements which have been made, I shall await with some anxiety indeed a full declaration of the attitude of the leader of the Progressive party with regard to the matter I have placed before him.

In the history of the parliamentary practice of England I find that the use of the "previous question" goes back some three centuries, when it was introduced by those in authority for the purpose of suppressing subjects of delicate interest relating to high personages or that might call for observations of a dangerous tendency. I do not know whether the hon. member for Nelson is so extremely anxious to bring this debate to a close for the purpose of preparing conditions under which the Customs investigation may be closed also. I do not know whether he is afraid of being forced to vote on the direct issue of want of confidence in this government. I infer there are members on the Progressive side of the House who would find it very difficult, in view of present conditions, to register a vote of confidence in this government if the direct issue were placed before the House. Early in the session there was an issue of want of confidence, but the hon. Minister of Customs and Excise (Mr. Boivin), with that dialectic skill for which he is so well known, succeeded in impressing the

members of the Progressive party with the idea that a vote in support of the government on the amendment then before the House would not be regarded by the government as a vote of confidence. It is only by reason of that explanation, Mr. Speaker, that I can reconcile the statements made in this House with the vote that the Progressive members registered when that issue came before them on a division. One member of the Progressive party, the hon. member for Southeast Grey (Miss Macphail), rising in her place, declared:

I believe all can agree that the King government played atrociously poor politics when it continued to hold office after the verdict of the people had been given. The effect of this verdict, as I am sure all Liberals will in their hearts but not with their lips admit, is the increasing resentment of the people of Canada against them.

Then again, the hon. member said:

During the last parliament the King government gave us only crumbs of reform, and those grudgingly. The King government could have put through any reform which we favoured, but instead of that they chose of their own free will to mark time and to appeal to the country on the plea that they had not a sufficient majority, and now weakened in numbers and in prestige the same government comes back and promises everything.

Continuing, the hon. member said—

Mr. CANNON: Mr. Speaker, I rise to a point of order. I was going to allow my hon. friend to continue his quotation, but hon. gentlemen opposite seemingly intend to use all the freedom of speech possible. I have no objection to it, provided that they follow the rules. My hon. friend has no right to quote from a speech made by an hon. member in another debate during the same session.

Mr. MEIGHEN: Oh, oh.

Mr. CANNON: The speech made by the hon. member for Southeast Grey was made on the motion as to whether or not this government had the right to meet parliament. It was not made on the Address.

Mr. MEIGHEN: It is the same debate. The speech was made on the resolution that the Address have precedence.

Mr. CANNON: No, no. It is not the same debate.

Mr. MEIGHEN: I submit for your decision, Mr. Speaker, that such a resolution involves a debate on the Address—

Mr. LAPOINTE: No, no.

Mr. MEIGHEN: It throws us back to the debate on the Address and all matters arising out of it.

Mr. SPEAKER: There is no question about the rule and the usage. The point raised by the hon. the Solicitor General (Mr. Cannon) is well taken; but Bourinot says—I have not the authority under my hand at the present moment, but I read it the other day—that without quoting the ipsissima verba of a speech delivered in another debate, without quoting the actual words themselves, an hon. member can build up an argument on the tenor of that speech.

Mr. LAPOINTE: There you are, the ipsissima verba.

Mr. CANNON: I contend that the actual words were quoted by the hon. member; therefore it is against the rule.

Mr. MEIGHEN: One has not the time to get to the actual authority in a second, but I speak with some confidence when I say that Your Honour will find that matters that may have been referred to in a previous debate which are directly relevant to the debate in question may be quoted. I might refer to Bourinot.

Mr. SPEAKER: I have read the authority.

Mr. MEIGHEN: If the matters are directly relevant to the debate in question they may be quoted, but they cannot be quoted unless they are.

Mr. SPEAKER: According to my reading of Bourinot, the tenor of a speech delivered in another debate may be used as a basis for argument, but not the ipsissima verba. If the hon. member, therefore, will undertake not to quote the actual words he may build up an argument upon them.

Mr. LAPOINTE: That is the point.

Mr. CAHAN: Mr. Speaker, in conformity with parliamentary usage the president of the tribunal will say that in the interest of accuracy he has procured a copy of the very words used. In order that I might not misrepresent the hon. member for Southeast Grey I procured a copy of the exact transcription of the words which she did use. But now, depending upon my own memory of that debate and having the exact statement before me which she did use, I wish to state that the hon. member declared—

Some hon. MEMBERS: Order.

Mr. CAHAN: —words to the effect—

Some hon. MEMBERS: Order.

Mr. SPEAKER: Order.

Mr. CANNON: The rules of this House apply to every member of it, including the

hon. member for St. Lawrence-St. George, although he is one of the youngest.

Mr. MEIGHEN: He is quite within the Speaker's ruling.

Mr. CAHAN: The hon. Solicitor General seems to be very anxious to prevent discussion.

Some hon. MEMBERS: Hear, hear.

Mr. CANNON: If my hon. friends will allow me—

Mr. MEIGHEN: Order.

Mr. CANNON: —I wish to state—

Mr. CAHAN: I rise to a point of order.

Mr. CANNON: We have had the decision of Mr. Speaker.

Some hon. MEMBERS: Order.

Some hon. MEMBERS: Sit down.

Mr. CANNON: We have had the decision of Mr. Speaker, and I want the hon. member to follow that decision. We have had a ruling from Mr. Speaker and every hon. member must observe it. Every hon. gentleman is obliged to follow the ruling of the chair.

Mr. MEIGHEN: The hon. member is doing so.

Mr. CAHAN: I may say that I knew the rules of the House when the hon. gentleman who has just spoken (Mr. Cannon) was a mere child. No member of this House has a greater respect for the rules and the ruling of the Speaker than I have.

Mr. CANNON: Well, show it.

An hon. MEMBER: Go ahead.

Mr. CAHAN: Do I understand, Mr. Speaker, that I am to await your ruling?

Mr. CANNON: It has been given.

Mr. SPEAKER: The hon. gentleman may not quote the exact words used by the hon. member for Southeast Grey as reported in Hansard, but I have already ruled that in conformity with the best authorities he may use his memory and thus refer to that speech.

Mr. CAHAN: Mr. Speaker, I am sure that Hansard will disclose that when I was interrupted without excuse by the hon. Solicitor General I was observing that from my memory I could say that the hon. member for Southeast Grey—

Mr. SPEAKER: Order. I now have the necessary authority in my hand. At page 357 of Bourinot, 12th edition, I find the following:

[Mr. Cannon.]

> Neither can a member, in speaking, refer to anything said or done in a previous debate during the same session—a rule necessary to economize the time of the House, and a restraint upon members to prevent them from reviving a debate already concluded. . . . But a reference to, though not a quotation from, a previous debate, by way of illustration, is in order.

Mr. LAPOINTE: "A reference."

Mr. CAHAN: Mr. Speaker, I wish to say again, if I am allowed to finish the sentence, that from my memory of the remarks of the hon. member for Southeast Grey she said that she had absolutely no confidence in the King government, that she was not pleased with their past performances and had no confidence whatever in their present promises. Words to a similar effect were used by other Progressive members in my hearing in this House, and therefore I can understand that there may be somewhat of an indirect motive on the part of the hon. member for Nelson in excluding, as he has attempted to exclude, any division upon a direct vote of want of confidence in the government. I wish to say to that hon. member, who represents the constituency of Nelson, including the port on the Hudson bay of which we have heard very frequently lately, and who has a great interest, I believe, in the completion of a railway through his constituency, that I for one, speaking for myself only, am prepared in this House to consider every measure brought before us on its merits, and to decide on every issue as I conscientiously believe I should decide in the general interests of the people of this whole country. But when the hon. gentleman seeks to preclude us from reaching a vote of want of confidence in this House; when he seeks to gag us in the discussion of what we regard as material and vital to the interests of this country, I can tell him that so far as I am concerned he will have to change the rules of the House to prevent my obstructing, in order to prevent the forcing through of any such measure as that.

Mr. BIRD: May I ask the hon. member to tell me what the committee of strategy was doing at that time?

Mr. CAHAN: I have not been taken into the confidence of the committee of strategy of the Progressive group, and I expect to have a clear exposition from the hon. leader of that group as to the strategic arrangements that have been made by him with his follower the hon. member for Nelson (Mr. Bird).

Miss MacPHAIL: If the Conservative party wanted an expression of want of confidence in the government, may I ask why they did not use one of the many oppor-

tunities they have had to move a straight want of confidence motion?

Mr. CAHAN: All I can say to the hon. member for Southeast Grey (Miss Macphail) is that I do not profess to be able to express fully the opinion of the Conservative party in this House; I leave that for the right hon. leader of the party (Mr. Meighen) to do at the proper time. But I do say this: Every member in this House has the right to express his views on this Address and to move, if he deems it to be expedient in the public interest, any proper amendment which he sees fit to move, and I as an individual member of this House had intended to make a direct motion of want of confidence in the government by way of amendment to the Address. I feel very much grieved indeed that I have been prevented from bringing that motion before the House.

Mr. BROWN: Did the hon. member notify the Progressive party that he intended to move such an amendment?

Mr. CAHAN: Mr. Speaker, I had assumed that there was a certain degree of intelligence in the leadership of the Progressive group in this House and that they took the trouble to read the news of the day; and the news of the day would have informed them that for some ten days at least I have been waiting for the first opportunity possible to move an amendment.

Before I proceed to discuss the Address at length, I wish to call attention to one matter which is distinctly of public interest. It is asserted by the press of this country that the Conservative party in this House are wasting the time of the House, are delaying the business of parliament, are incurring unduly large expense by continuing the debate on this Address; in fact, by way of excuse, some of them have pretended to find some justification for us in alleging that under the rules of the House the Address must take precedence and that it is impossible to conduct any other business in the House while the Address is under debate. I wish to state clearly that there are no such rules. The position in which we are placed is due to the specific resolutions moved by the hon. leader of the House (Mr. Lapointe) and adopted by this House, some of them under our protest and on division.

4 p.m.

First, the acting leader of the government moved a resolution on a certain day that the debate on the Address have precedence over all other public and private business in this House, and then, having obtained the passage of that resolution, he proceeded on a subsequent day to move that upon the debate on the Address being concluded this House do adjourn and stand adjourned until March the 15th. That is a fair statement of those two resolutions. Now those two resolutions in effect prevented this House from carrying on any public or private business that it might have carried on except for the moving and passage of those two resolutions, and I place upon the government of this country the distinct responsibility of having passed, on its own initiative, resolutions through this House which in any event, except in the event of the defeat of the government, precluded this House from transacting any public or private business until March the 15th. The fact, Mr. Speaker, that we on this side of the House have proceeded to discuss the matters raised by the Address and the several amendments to the Address has not cost this country, and will not cost this country, one dollar extra by way of stipend or payment to the hon. members of this House who are here under their own expenses, paying their own expenses like public men, and willing and anxious to conduct the public business of the country as presented to parliament to a sure and speedy conclusion.

Furthermore, the right hon. leader of the government—the hon. leader, I think it is, but I have such a great affection for him that I wish to give him all the titles I can—when invited by the right hon. leader of the opposition to specify one single measure of public importance that the government were now prepared to bring before this House, could not indicate a single measure which was prepared and ready for submission. Therefore I wish distinctly to deny in this House and to deny to the country as a whole the charge that we are wasting the time of the House. I say that we are not wasting one dollar of public funds while we sit here to force this government to enter upon the real business of parliament and to bring it to a speedy end.

Mr. MORIN (St. Hyacinthe): May I ask the hon. gentleman whether the House has not already pronounced on the adjournment?

Mr. CAHAN: Quite so, but at the instigation of the leader of the government, who wished thereby to prevent this House from doing business.

I wish to return from these incidental matters arising out of the initiation of closure in this House to discuss for just a moment the address given by the hon. member for Nelson (Mr. Bird). The hon. gentleman raised one of his heroes to the rank of a

household deity, the Robin Hood of whose exploits we heard in our boyhood, and he especially commended Robin Hood for one thing that I never heard him commended for before, and that was his anxiety to maintain liberty of speech in England, the liberty of the free expression of the individual; yet in the name of that titulary deity he proceeded to gag the members of this House and to forbid them from giving utterance to their opinions. I have such a high appreciation, from what I have heard in this House, of the independence, the fairness, I may say the impartiality, of a considerable number of the members of the Progressive group, that I still decline to believe they are unanimous in support of his motion. If they are unanimous in support of his motion I would suggest again to the hon. leader of that party that he take his proper place on the other side of the chamber, where he may give counsel and assistance to the government of the day and where we may look him in the face and regard him not as a treacherous friend who would stab in the back those on this side of the House, but as a political foe whom we may meet face to face in this parliament.

I do not expect by any argument I may use in this House to convert the hon. member for Rosetown (Mr. Evans). I would assume that he came to this House afflicted, intellectually of course, by a certain form of Bright's disease which has affected his intellectual insight, and that he is quite incapable of looking at issues which arise in this House purely from a Canadian standpoint. I wish to say further, Mr. Speaker, that in all matters relating to the economic development of this country I am a Canadian, and in regard to all domestic matters concerning this country I am a nationalist, anxious, more than anxious, to build up on a firm foundation a great, strong, stable Canadian nationality.

Mr. EVANS: I repudiate entirely the ungentlemanly insinuation which the hon. gentleman makes. I wish to say, Mr. Speaker, that I am a Canadian.

Some hon. MEMBERS: Order, order.

Mr. EVANS: I wish to state that I am a Canadian as purely as the hon. member.

Some hon. MEMBERS: Order, order.

Mr. EVANS: I have made my contribution to the country as much as he has.

Mr. SPEAKER: Is there a point of order?

Mr. LAPOINTE: The hon. gentleman is speaking with the leave of the member who has the floor.

[Mr. Cahan.]

Mr. EVANS: I am on a question of privilege, to repudiate the ungentlemanly inference—

Some hon. MEMBERS: Order, order.

Mr. SPEAKER: The hon. member for St. Lawrence-St. George (Mr. Cahan) has the floor.

Mr. CAHAN: I am always willing to retract and to put my statement another way. Instead of saying that mentally and intellectually my hon. friend is afflicted with Bright's disease, I will recall the statement and say that it is the Cobden-Bright disease, which I think entirely obscures his mental vision and prevents him from studying the real interests of the country as a whole. I remember, Mr. Speaker, many years ago swinging on a gate in front of my father's home and seeing the carriages with their flags go by, carrying the voters to the first election held in Canada after the union of 1867. Since that time I may say that Canada has held my supreme affection, and whatever course I may have taken, whatever mistakes I may have made, there was always in my heart a desire to see a Canadian nationality established politically independent of the United States of America, and maintaining its due relationship to England and to the sister colonies. In order to build up Canada on those lines, my old province of Nova Scotia, which has ever been associated by respect and esteem—I might almost say affection—with the other Maritime provinces and the province of Quebec, has united with the provinces in the east to carry forward policies which were not necessarily of great advantage to themselves, but were of public interest and necessary for the development of Canada as a whole. If we had been wanting in that spirit of patriotism; if we had been wanting in the spirit of self-sacrifice; and if we had not in the eastern province developed our commercial and industrial institutions to a considerable degree, Canada's international credit would never have been sufficient to enable her to raise the funds necessary to carry through the first line of railway into the northwest and to open up that country for our settlers. Had it not been for that spirit, Saskatchewan to-day would be growing prairie grass and over-run by buffalo, as it was in my boyhood days. But I do not wish to recount these things. We built those roads in the early days out of a spirit of Canadian patriotism; we made sacrifices for the good of the whole country in the building up and development of the northwest. With that spirit—and I am well acquainted with the people from the Maritime provinces—I do not believe there is in

this House a member from any of those districts who will cavil at any measure which is brought forward and which is necessary for the proper development of the northwest and the general prosperity and wellbeing of the people of those western districts.

One hon. member, I think he was a member of the Liberal party, delivered an address at some length in which he spoke of agriculture as being one of the primary industries of this country and referred to the absolute necessity of encouraging the farming industry, especially the interests of the wheat growers of the west. In that I entirely agree with him. But the people of Canada cannot live by wheat alone; they require other industries than that of raising wheat. I remember in my province, when the middle west was opened up and produced wheat at a lower figure than that at which we could raise it, our farmers were driven out of that branch of farming known as the production of wheat. I remember being told in my early days that the old Grand Pré valley, which is now used for ordinary farming, was one of the best wheat producing districts in the world as to quality, having due regard to the size and extent of the area planted. But those days are gone, and it is necessary that members of this House should have a broad perspective in dealing with questions relating to the future of this country. I know something about wheat growing, and I will venture to say that I have a farm with a wheat field which will compare favourably with any two wheat fields owned by any two members of the Progressive or Liberal party from Alberta or Saskatchewan. I know something about the wheat trade, and I say to them that in a branch of farming which is largely speculative under present conditions they have reached the heyday of their prosperity if they continue to grow wheat alone When you find Russia on its feet again and producing wheat; when you have more competition—and it is bound to come—from Australia and Argentina, you farmers of the west will discover that unless you can grow wheat and put it on the market at your own railway stations at something like seventy or seventy-five cents a bushel, you will be forced into other forms of production in order to maintain the prosperity of those provinces. But in the meantime I concede that that industry, which was encouraged especially during the war and which gave not only to us but to the armies of the allies their sustenance through that great conflict, will never make any reasonable appeal to the whole body of this House without receiving a unanimous response.

We are all as anxious to benefit Saskatchewan as we are to further the interests of any other province. But when the hon. member for Rosetown rises in his place and speaks of the poverty of the farmers of that province, I wish to tell him that according to statistics compiled by the government of this country, no other province in Canada has as great wealth per capita as Saskatchewan. The western provinces come first in per capita wealth, Saskatchewan holding the first place with a per capita wealth of $3,757, Alberta second with a per capita wealth of $3,317, and Manitoba third with a per capita wealth of $2,705, as compared with Ontario, $2,507, and Quebec, $2,347, while Prince Edward Island, Nova Scotia and New Brunswick have one-half the per capita wealth of Saskatchewan. I say to them that in every matter we of the east have dealt or endeavoured to deal with them fairly. When they were carved out as provinces from the territories of the west, parliament was unanimous in giving them large subsidies from the federal treasury in order that they might be placed in a really excellent position to carry out their work in building up new provinces from those territories. But Nova Scotia, if we take it as it is to-day with a population of 523,837, receives from the federal government by the way of subsidy $661,853, while Saskatchewan, with a somewhat higher population—828,600—received more than three times as much, namely, $1,757,005 per annum. That is, Saskatchewan, with 58 per cent more population than Nova Scotia, receives 165 per cent more subsidy from the federal treasury of this country. We of the east look upon this country as a whole. We cannot live by bread alone. The development of natural resources such as coal, the fisheries and the lumber from our forests is on an equal basis with the development of agriculture.

Mr. FORKE: Just for information, I would like to ask the hon. member if he knows how those per capita figures are made up in regard to the wealth of the people of the different provinces. Do they take into consideration liabilities by way of mortgages or other indebtedness of individuals in the several provinces?

Mr. CAHAN: I am reading from one of the reports issued by the Bureau of Statistics, published under the authority of Hon. T. A. Low, M.P., 1924, at Ottawa, entitled, A Report on the National Wealth of Canada and its Provinces. I am accepting that as a fair criterion in a general way of the position as regards the wealth of the different provinces. The government of this country,

through its Bureau of Statistics, has entered upon an inquiry as to the productive activities upon which the prosperity of Canada depends, and it proceeds on the basis that such productive activities may be ascertained from year to year by consideration of the net value of commodities produced in this country for consumption at home and for export abroad. Making this computation on a broad basis, the Bureau of Statistics estimates approximately the national income of the Canadian people and thereby ascertains the values available for the maintenance of our own citizens, for the support of all public services, for taxation of every sort, and for the annual accretions of savings for the increase in future of these industrial activities. They take the year 1923, the very latest for which they have complete statistics, showing that in that year agriculture yielded $1,107,000,000 of produce. Economists both in this country and in the United States have criticized that figure as an over-estimate due to the fact that a considerable portion of the products of agriculture was used on the farm for seeding purposes and for the maintenance of farm animals and the like. They declare that that $1,107,000,000, in relation to the further figures which I am about to quote, should be somewhat reduced.

Of forestry, fisheries, trapping, mining and the development of electrical power, hydro-electric largely, the net income of the Canadian people was $654,000,000. But taking into account manufactures, construction and repairs, which are part of the manufacturing industry, and the net increase in value accruing to raw and partly manufactured products by converting them into commodities of a more finished character, thus necessitating the employment of machinery, labour and capital, the net spread between the original cost of the commodities entering into factories and the value of those commodities on leaving the factories was $1,581,000,000. Thus the value created by the industry of this country, comprising manufacturing, construction and repairs, exceeds by more than half as much again the value produced by the entire agricultural industry of this whole country. I am quite willing to admit that of that agricultural production practically one-third in 1923 was wheat alone, and therefore I have always contended that wheat production must receive peculiarly favourable consideration from the people of this country. But the manufacturing industry of Canada created $1,581,000,000 of wealth in one year in the production of things which are as necessary to the well-being of Canada as is the production of wheat itself.

[Mr. Cahan.]

Mr. CAMPBELL: In those figures in relation to industrial products, are there not included dairy products such as butter, cheese and so forth?

Mr. CAHAN: I understand that the products of the cheese and butter factories are included in them, but not the output of domestic production. That, I believe, is the distinction; but if I am incorrect I can look into the figures at some future time and possibly explain them.

Mr. CAMPBELL: The hon. member will admit that the figures he has given are hardly fair to the agricultural industry inasmuch as a vast amount of the products which are classified as manufactures represent agricultural produce.

Mr. CAHAN: Quite so; and there is not a single mechanical product, no matter how refined the process of its manufacture may be, which cannot be said to be due ultimately to the production of raw material in this country or elsewhere. For example a certain quantity of the wool of this country or of cotton imported from abroad is subjected to various processes of manufacture, all of which involve the use of machinery of some kind, and these processes contribute to the creation of wealth, which forms a part of the tangible income of the country. Now, in creating a billion and a half of manufactured wealth in 1923 we gave employment in Canada to a large body of our people in cities, towns and villages; and if that manufacturing industry is imperilled, as it was imperilled by the pronouncements of this government a year ago, I am prepared to prove that there will be driven from this country into foreign countries 45 per cent of our existing population, who will go elsewhere to produce the same things that they are producing in Canada to-day. And this will necessitate the importation from abroad of such articles of prime necessity as are indispensable to ordinary decent living in this country.

Mr. MacLEAN (Prince): Does the hon. member distinguish between wealth created and wealth produced?

Mr. CAHAN: I do not know; I should have to go back to the days I studied political economy—

Mr. MacLEAN (Prince): In the production of wealth it is necessary to use other materials, whereas the farmer can create wealth simply by taking it out of the land.

Mr. CAHAN: I remember the old ditty: For want of a nail, the shoe was lost; for

want of a shoe, the horse was lost; for want of a horse, the rider was lost; for want of a rider, the battle was lost. They were all necessary to the achievement of the great end; and the point I wish to make is that every department of human endeavour is necessary in this country to build up a strong, united and prosperous people. Therefore the man who works in a factory and helps in that way to create wealth is doing as essential a work and is discharging as patriotic a duty as are the 250,000 farmers of the west and of Canada who are producing wheat, which sails overseas and is sold at such prices as the impoverished people of middle Europe can afford to pay for the temporary sustenance which they require in order to carry on the industries of those countries. And those industries very largely supply to the people of Canada the ordinary necessities of life which, if given an opportunity, Canadians could produce at home.

Mr. BALDWIN: If the hon. member will allow me a question—how many speeches such as he is delivering now does he think it would take to bring about a united Canada?

Mr. CAHAN: I do not know from what part of the country the hon. gentleman comes—

Mr. BALDWIN: From Quebec.

Mr. CAHAN: Well, if the hon. gentleman is from the province of Quebec he must have noticed the policy adopted and pursued by the hon. gentleman who leads the provincial government. The policy which I advocate is the policy which the Premier of Quebec and his associates have been advocating for some years. They have laid down the sound economic doctrine that no country grows wealthy, no peoples become prosperous, simply by producing raw materials for export, simply by becoming hewers of wood and drawers of water for foreign peoples. My hon. friend will have noticed that the hon. Mr. Caron—I think he is the Minister of Agriculture in the provincial government of Quebec—has been making address after address throughout his province in which he has declared that it is absolutely necessary for its well-being that there should be protection of farm products. My hon. friend will find that he not only repeated that declaration in the provincial legislature, but that under his auspices—at least I assume so—certain agricultural circles or associations have been formed which are advocating exactly the same policy. I refer particularly to Mr. Caron's letter to the secretary of the Sociétè Agricole of St. Césaire of March 5, 1925, in which, if I recollect correctly, he laid down the policy of protection for the farm products of that province. The government of Quebec, almost alone of our provincial governments, has prohibited, so far as it could under the constitution, the export of pulpwood to the United States, insisting that all the pulpwood taken off the crown lands of that province should be manufactured within its borders in order to give increased employment and increased prosperity to its people. That government has also during the present session of the legislature introduced a bill prohibiting the export of hydro-electric power to any foreign country. It has proposed and, according to the statements of the premier, is now considering measures for restraining to a certain extent the export of asbestos in order to encourage its manufacture in the province. In short, within its constitutional powers the government of Quebec is carrying out in every way possible a policy of protection for home industries and of encouraging other industries to come into the province. I do not intend to discuss with any member from the province the question of protection in Quebec.

Mr. BALDWIN: Will the hon. gentleman allow me another question?

Mr. CAHAN: I will answer any questions if the hon. gentleman will save them up until I am through. Let me take the other address to which I referred—I will not read it, following the decision of His Honour—which was given in this House by the member for Joliette (Mr. Denis) a few days ago—in which he very frankly declared that not only had he himself procured his election by adherence to a policy of protection for home industries, but that a considerable number of members on his side of the House had also expressed the same views and had approved of the same platform during the recent contest. I know something about that province, and I think I can say without fear of contradiction that in its principal towns there is a strong feeling in favour of a protective tariff to the extent necessary to safeguard domestic industries. In some of the rural districts where the people realize that their best market, in fact in some cases their only market, is in the neighbouring towns and villages, there has been a growing feeling in favour of safeguarding and protecting the farm products of Quebec; and any person who imagines he can appeal to the provinces on the sole issue of free trade is mightily mistaken if he thinks he can obtain there any general support for such a policy.

To pursue my general argument, we have in the last five years—and I am referring to it

again—lost at least half a million Canadian-born citizens to the United States. Very few of them were farmers; the great majority had been engaged in some local industry, and in view of our factories closing down and so diminishing employment—something that happened in too many of our towns and cities—it became necessary for a considerable body of our most expert mechanics to procure employment in the industrial centres of the United States. Those people have been driven abroad by what I regard as the entirely mistaken policy of the government of the day. I remember very well the unpleasant thrill which went through industrial circles in eastern Canada in March, 1923, when the legislature of Saskatchewan—under the leadership of the Hon. Mr. Dunning, who, I understand, has become the chief counsellor of the Prime Minister and is slated to become a member of this government—on March 1, 1923, unanimously passed this resolution:

Resolved, that in the opinion of this assembly, it is the duty of the government of Canada to introduce legislation which shall have for its effect the following:

(1) An immediate and substantial all-round reduction of the customs tariff.

(2) The reduction of the customs duty on goods imported from Great Britain to one-half of the rates charged under the general tariff, and that further gradual uniform reductions be made to the remaining tariff on British imports that will insure complete free trade between Great Britain and Canada.

The economic and tariff policies proclaimed by Mr. Dunning in Saskatchewan and unanimously endorsed by the legislature of Saskatchewan, were taken up in the following year and led to certain enunciations of policy from the Prime Minister of this country from his seat in the House on May 15, 1924. In his address on the budget in the House of Commons Right Hon. Mr. Mackenzie King announced his policy as follows:

No more tariffs based on the principle of protection—as set forth in the resolution of the Tory party, moved in this debate too late to be accepted—but a tariff based on the principle of revenue. That was "our policy" in the past—the Laurier-Fielding policy. The words can have no other meaning. That is our policy to-day—the policy of the Liberal party—proceeding step by step towards the goal of greater freedom in matters of trade, never imposing a duty for protection's sake, but always acting on the principle or the basis of a tariff for revenue and revenue only. I repeat this statement in the hearing of hon. members and before this country, this is the position of the Liberal party. We believe in proceeding step by step. We believe when it comes to a question of imposing a duty in having duties framed on a tariff for revenue basis and not on a basis of protection.

Mr. CAMPBELL: Could my hon. friend tell me what is the difference between the tariff policy of the government as it consists to-day and the tariff policy of the Conservative party?

[Mr. Cahan.]

Mr. CAHAN: And the tariff policy of the Conservative party?

Mr. CAMPBELL: With perhaps one exception.

Mr. CAHAN: I will tell you before I am through, but I do not wish to hasten. You know this is going to be a long debate—

Some hon. MEMBERS: Oh, oh.

Mr. CAHAN: —and I wish to contribute my share in the way and in the order I see fit.

Mr. CANNON: You have only given us half.

An hon. MEMBER: The rest is coming.

Mr. CAHAN: But when that statement was made to this country, with the further decreases which were made by the British preferential tariff, it led to great anxiety on the part of every man who was engaged in industrial enterprises in Canada. It stopped entirely the investment of new capital in almost every industry in this country. It prevented the establishment of new industries which were about to be established in the Dominion. There was ample money available in the country, and yet that money instead of seeking employment in industrial enterprises became a supply to compete for certain stocks which were regarded as likely to stand the strain of a revenue tariff pure and simple. We had a great increase in the value of bank stocks, and there was greater competition for their purchase. There was great competition in this country for the purchase of American standard stocks, and more than that: millions of dollars of Canadian capital were transferred month by month to the United States seeking employment in the industrial affairs of that country, where a safe and sound economic policy was in operation and where there was less doubt as to the stability of those enterprises under the conditions which prevailed there. Factory after factory to my knowledge, if it is necessary to go into it, which were employing men and women in the province of Quebec—ordinary industrial enterprises quite proper and suitable to our climate and our conditions, —giving employment to thousands of people, were transformed not into manufacturing establishments but into depots to which millions of dollars' worth of manufactured goods were brought from France, England, Italy, Belgium and Germany, and thence distributed to the people of this country. Thousands of people lost their industrial employment in consequence. The Right Hon.

Mackenzie King, in announcing that policy, was directly responsible for sending a very considerable number of our young men across the border to seek employment. In the city of Montreal there is destitution to-day the like of which we did not know when we had a stable tariff and stable conditions in our industrial life. There people are out of employment by the hundreds; women and children are under-nurtured; those who were born and brought up in fairly comfortable circumstances and became expert workmen are too poor to-day to sustain the life of their children but too proud to beg, and a generation of children are growing up under-nurtured—all simply because the Right Hon. Mackenzie King attempted to put into operation, so far as he could, a tariff policy that opened up our industries to the unfair competition of foreign countries. And not only that; he declared his intention to put such a tariff into force completely, thus threatening to drive our people out of employment and to force out of this country at least 45 per cent of its present population.

Mr. Speaker, I have made a careful analysis of the imports into this country, amounting to about $850,000,000 or $900,000,000 a year, and I am prepared at an opportune time to show that at least $500,000,000 of those annual imports might, under a proper tariff policy, under a proper economic policy, be produced by the people of Canada, giving direct employment to at least 350,000 or 500,000 more employees that at present have work in this Dominion, and sustaining an additional 1,000,000 to 1,250,000 people. I listened the other day with the greatest possible interest to the splendid address of the hon. member for Victoria, B.C. (Mr. Tolmie) on the question of immigration, and I quite approve of every pronouncement which he made, as I understand it. But it is not sufficient to bring in 250,000 men to go on the farms of the west or even to settle on the farms of the east if we have under proper conditions a proper tariff policy—I do not say a high tariff or a low tariff.

I agree entirely with the pronouncement made the other day by the hon. member for South Toronto (Mr. Geary) that what we need in this country is a safeguarding tariff that will give fair play and fair operation to the industries of this country, and protect them from the competition of certain countries with a debased currency, from the cheaper labour of Europe and from the mass production of the United States. We need a tariff that will enable us to build up here, as they have done in the United States, a great and growing industrial community which will give employment to our own sons and daughters for generations to come and so increase our employment that we may invite into this country not only farmers to come and till the land, but expert artisans of other countries who will teach us to carry on an improved industrial life in certain particulars, and enable us to establish factories for the production of many other articles either of necessity or of luxury which we now import from foreign countries.

That a growing export trade is sure indication of increasing wealth, well-being and prosperity on the part of the people is often stated in this House and throughout the country. A more damnable heresy never was preached. Take the country as you find it. For instance, I called your attention the other night to a country like Mexico, and I deal with it because I know from personal experience its conditions. Mexico is gifted by providence with natural resources unequalled by those of any other country I know of. Glance at what they might do, with a population larger than ours—some fourteen or fifteen millions of people.

Mexico has more sugar cane land than Cuba; more citrous fruit land than the United States and Italy combined; more tobacco land than the West Indies; more cocoanut land than the Philippine Islands; more banana land than central America; more corn land than any other country in the world except the United States. It produces more coffee than any country in the world outside of Brazil; cotton is grown in many parts of it. Mexico is the greatest producer of silver in the world; it ranks next to the United States in the production of copper; it produces large quantities of lead; it has the largest sulphate deposits in the world, as well as valuable tin beds and coal fields in the north; as an oil producer it is second to the United States. Yet with all these resources, year after year the peon and the Indian of Mexico toil for 50 cents of our money a day to develop these natural resources and send the products out of the country where they are employed as raw materials and oil for motive power in carrying on the industries of other countries. The natural resources of Mexico form the basis of industries which are carried on in the United States, in Great Britain, in Belgium and in France. A country with the most marvellous natural resources in the world giving itself up to the damnable policy of exporting its natural resources to other countries, leaving its people at home the most impoverished on the face of the north or south American continent! That is the condition which the tariff policy of the Right

Hon. Mr. Mackenzie King, if carried out logically, as he pledged his honour, for whatever that is worth before the people of this whole country—

Some hon. MEMBERS: Order.

Mr. CAHAN: I am talking about a gentleman who is not a member of this House.

Mr. CAHILL: Mr. Speaker, the hon. member has mentioned the Prime Minister of this country and says he does not know what his honour is worth. I think there is no member of this House with a proper sense of dignity who will speak like that.

Mr. CAHAN: Mr. Speaker, the other day the hon. Minister of Customs (Mr. Boivin) referred to the high honour and sense of propriety of the hon. Prime Minister of this country, and repeated those expressions again and again. I am simply referring in exactly the same way to his high honour, sense of propriety, and all the rest, and I am saying that if the Prime Minister carries out the pledges which he has made to this country in times past, it will tend to reduce the people of Canada to the same impoverished condition as the inhabitants of Mexico.

Mr. SPEAKER: I will read to the House what May says, page 99:

> If a member should say nothing disrespectful to the House or the Chair, or personally opprobrious to other members, or in violation of other rules of the House, he may state whatever he thinks fit in debate, however offensive it may be to the feelings, or injurious to the character, of individuals; and he is protected by his privilege from any action for libel, as well as from any other question or molestation.

But, a little further on in May, and also in Bourinot, there is something which should be taken into consideration. The hon. member has used an unfortunate expression with reference to the Right Hon. Mr. Mackenzie King. Technically Mr. Mackenzie King is not a member of the House at least until a return of the writ in respect to the recent by-election is made; nevertheless he is the Prime Minister of Canada, and any words affecting his honour should be withdrawn. Let me read to the hon. gentleman the following from May:

> All references to judges and courts of justice and to personalities of high official station of the nature of personal attack and censure have always been considered unparliamentary, and the Speakers of the British and Canadian Houses have always treated them as breaches of order.

I will not ask the hon. gentleman to consider Mr. Mackenzie King as a member of the House of Commons until the writ has been returned and he has been duly presented to the House, but surely—

[Mr. Cahan.]

Mr. CAHAN: If I may interrupt you, Mr. Speaker, I will certainly withdraw anything that I said that may be regarded as offensive, for I was brought up in a school to respect the decisions of the Speaker, and I desire to do so to the utmost.

Mr. SPEAKER: I thank the hon. gentleman. He has seen the point. I know that he would not be willing, except perhaps in the heat of debate, to say anything which might appear disrespectful. As I was saying a moment ago, although the Prime Minister is not technically a member of the House yet, he will soon be here, as we all know; and he is the chief adviser of His Excellency.

Mr. CAHAN: Without saying anything disrespectful to the Prime Minister at all, I think I can show by facts and out of the right hon. gentleman's own mouth that in certain respects, if he kept faith with the people of this country in regard to the pledges which he made to them on the eve of the last general election, he certainly would reduce this country in future years to a state of extreme impoverishment.

Mr. WOODSWORTH: I have been trying to follow the argument of my hon. friend. Do I understand him to say that the condition of the people of Mexico is largely due to the tariff policy of that country?

Mr. CAHAN: It is due to the fact that they have not any. Therefore I say that if we, the members of the Conservative party, representing as we do the people of this country, desire that that degree of prosperity which the country has attained shall be maintained; if we wish to give employment at home to our own people and to enable others to come here and find remunerative employment, the tariff policy announced by the Right Hon. Mackenzie King must be repudiated, not only by the government of this country but by parliament and the people.

If I were in a position to make a suggestion, the adoption of which would benefit the great body of the people of this country, it would be this: that we secure the services of experts to work for a year or more upon the determining of what industries could be established in this country—not in our cities for mass production; not in our larger towns for large production, but in our villages and country towns, to give employment there. I remember very well in my own province of Nova Scotia—and I knew it well from almost end to end—our village life and our town life was sustained by small industries employing five, ten, fifteen or twenty people. Look at the conditions in any industrialized country.

The name of Jules Maline will ever be revered throughout the Republic of France, because he gave to the farmers of that country a protective tariff which established on a firm foundation the financial stability of the republic and enabled it to stand, as it did, all the horrors of invasion and war. Jules Maline died quite recently, but his name will ever be held in reverence in France. The industrial stability of that country is largely due to the operation of small factories manufacturing artistic designs, commodities of value, commodities of luxury, which give employment to five, ten, fifteen or twenty people. I am sure if we made careful examination we could find not a hundred but a thousand small industries necessary to our well-being which could produce in this country articles which we are now importing from abroad, articles which are necessary to the life of our country and to the standard of living which we have adopted, the manufacture of which in Canada would give employment in our villages and in our smaller towns to the population which now, unless it goes on the neighbouring farms, must go to the United States. Moreover, with our hydro-electric power in this country, if we were guaranteed a stable tariff we could introduce certain chemical processes into Canada which would increase, not only by thousands but by millions, the annual income of the country, and give employment to a class of young men whom we are now educating at our colleges—such as Laval, which is making splendid progress in scientific teaching. I know some of the professors at Laval. Some of them have been brought from foreign countries; others are native-born, and they are equal to any of those who do similar work in the United States. In McGill University we are training and spending thousands of dollars upon the education of our young people, yet by the tariff policies of the country we are precluding the establishment and operation of industries which might give them employment under stable conditions. We are sending thousands of highly and technically educated young men out of the country year by year to seek employment. A policy such as that is most detrimental to our future progress, and unless we provide a remedy we never can reach a high state of national development.

Mr. BALDWIN: My hon. friend mentioned the hydro-electric development. Is he aware that there has not been a hydro-electric development in Canada where the power has not been sold before the development was completed?

Mr. ARMSTRONG (Lambton): What has that to do with it?

Mr. CAHAN: I know that, because I probably have been as much interested in hydro-electric development as my hon. friend.

Mr. BALDWIN: I hope you have.

Mr. CAHAN: And I lost a fortune because I could not sell the product of one hydro-electric company. Under the tariff as it existed I could not introduce those collateral industries which were necessary—

Mr. BALDWIN: That was out in the Rocky mountains.

Some hon. MEMBERS: Order, order.

Mr. CAHAN: —to utilize the hydro-electric power with the greatest effect and thus to create wealth in the country.

I desire to say a word to my Progressive friends; I observe that some of them have disappeared under my eloquence. One of them stated last night that prices should be fixed so as to give to the farmers a fairly remunerative return for their industry, including not merely a reasonable interest upon their capital, but remunerative employment for themselves and a living for their families. With that statement I entirely agree. If we are to build up and co-ordinate our industrial structure, that must be one of the elements of it. The farmer is entitled to exactly the same consideration that we give or will give to the manufacturing industries of the country. He is entitled to no more and should receive no less.

Referring to another feature of the present conditions in the country which preclude development—taxation and the public debt—I may point out that we incurred a public debt of $1,600,000,000 in round figures, during the war and the three years and a half of demobilization following the war. That is an enormous debt, and it weighs as a heavy burden upon the people. But during the last eight years, a period equal to that covered by the period of the war and the years of demobilization, the public obligations of this country have been increased by over $800,000,000 in connection with the Canadian National Railways. That is, in the last eight years, heaped up upon the burden of debt created by the war, we have created new obligations equal to one-half the same amount which we are now shouldering for the purpose of carrying on those railways under the conditions under which they are carried on. That is a problem which is giving great anxiety to every man who has at heart the best interests of this country, a problem which the govern-

ment must solve, a problem which, as I will attempt to show in a few moments, it undertook to solve before making its appeal to the country in the last general election.

Our taxation weighs upon our people today as a grievous burden. Twenty-five per cent of the entire productive income of this country goes year by year to pay the federal, provincial and municipal taxes which are imposed upon our people. On the average, every Canadian workman, out of a year of twelve months, if he works twelve months steadily, gives approximately three months of his toil to earn sufficient to pay the taxes which are placed upon him. That burden is too great, and it must be reduced if we are to maintain the industrial activities of this country and to keep our people in Canada. I find that the United States of America reduced their annual federal expenditures from $5,538,000,000 in 1920-21 to $3,619,000,000 in 1925-26, a reduction of $1,919,000,000, or one-third of their entire annual expenditure in that period. During the same period they reduced their federal debt by $4,000,000,000 and their annual interest charges by $179,000,000. One-sixth of their public debt was wiped out. There has been a reduction in the cost of public services and an increase in domestic employment. Remunerative employment has been given to five million more people, thereby increasing the consumption of agricultural products in the United States during that period by eighteen per cent if we reckon in quantity and not in price. The cost of the executive services handled from Washington was reduced by $1,364,000,000 a year and the federal payroll was 115,000 employees less on December 31, 1925, than it was on the same date five years previously. During the past year the staffs at Washington were reduced by five thousand employees, and in the federal civil administration alone, which is the same as our civil list or our civil service at Ottawa, the sum of $60,000,000 was saved in twelve months. Such reductions as these in the United States mean large reductions in taxation, decreases in the annual fiscal burden of the whole body of the people, an increased purchasing power for every person domiciled in that country, a higher standard of living owing to the increased purchasing power, and an increased industrial saving throughout that nation giving them larger capital for investment in other enterprises. This is what President Coolidge said about a year ago in reviewing these facts:

> Past experience has shown that a reduction of taxes has been followed by increased prosperity. As the volume of business increases, the federal revenue increases. If we are moderate in our expenditures the natural increase in profits ought, within a few years, to furnish us still with a surplus revenue, which will permit further tax reduction.

This country is demanding to-day, not only that there shall be a decrease in the annual cost of government, federal, provincial and municipal, but that those expenditures shall be cut down right to the bone, until it hurts, because under present conditions applicable not only to federal, but to provincial and municipal affairs, we are lowering the standard of living in this country by one-fourth owing to taxation. We are taking one-fourth of the wages of every man woman and child in this country for the purposes of taxation, and the people of Canada demand that sincere, honest and effective effort be made to reduce those expenditures to the lowest possible limit.

Such was the condition of affairs when the leader of the government made his appeal to the country in September last. We had then and had had for years an increasing lack of remunerative employment in this country. We had had increasing taxation under which the people were groaning and we had a railway condition which demanded earnest, careful attention. We had a preferential treatment of Great Britain and certain foreign countries, not only under the preferential tariff but under treaties, enabling producers in foreign countries to send into Canada their manufactured commodities and thus drive our people out of employment and as far as possible out of the country. The Right Hon. Mackenzie King decided upon an appeal to the people to place these issues and his proposed solution of them before the electorate of the whole country for their final decision. He first interviewed His Excellency the Governor General, stating to him the grounds on which he intended to make that appeal, and fortunately we have an official report made by himself of the grounds which he presented to His Excellency the Governor General and on which he demanded the right of dissolution of parliament and of appealing. On September 6, 1925, when speaking at Richmond Hill at the opening of the campaign, and announcing for the first time the date of the approaching general election, the right hon. gentleman said, according to the Canadian Press report, which on inquiry I find was handed by his own secretary to the press, previously written out:

> The Prime Minister said that the government could have held on to office for many months yet and still have been within the limits of the constitution, in fact until February, 1927. But he stated that the ministry of which he is the head, had come to the conclusion that for an administration to give the best service to Canada at this important time, it should

have a fresh mandate from the electors on several questions, the disposal of which will vitally affect the future of this country. His government, he asserted, had never been impelled by purely political motives in any of its acts since it was formed, and now, although it could have continued in office without an election, and perhaps continued to receive the substantial majorities it had enjoyed in the past, it had decided in the interests of Canada that the people should pronounce on the issues on which his party would appeal. There were four issues he said which over-shadowed all others: first, the fiscal policy; second, the railway problem; third, the immigration problem; and fourth, the reform of the Senate.

After discussing the right of the government of which he was Prime Minister to request from His Excellency the Governor General a dissolution of parliament, the right hon. gentleman said:

Next to be considered is the question of the ability of the government to carry on. So far as the House of Commons is concerned, I see no reason to believe that such support as we have all along been able to command in parliament will not continue to be accorded the administration another session. So far as the country is concerned, I believe we possess its confidence to-day to a degree greater than at any time since we came into office. Can there be any doubt that the federal administration has steadily grown in public confidence?

The Prime Minister then considered, from his own and his party's point of view, the following views which had been presented to him with respect to the advisability of holding an election at that time,—the existing commercial and industrial depression, which he recognized, and the prospect which he said existed of an early revival of trade and industry. He then continued:

If we are to look at public questions solely from the point of view of party political advantage, this argument and some of the others I have mentioned might appear to have much more force. For a government that has in its favour all the factors I have enumerated, not to speak of numerous other considerations, deliberately to forego more than a year of the time for which it has the right to continue in office, is a step which, in the eyes of the public, to say nothing of the eyes of its own following, requires not a little by way of justification. Indeed, under existing circumstances, the responsibility of advising a dissolution of parliament would appear to be quite as great as that of continuing to carry on, despite all the difficulties of government which we necessarily experience.

Are immediate party considerations, may I ask, the only ones that are to govern, or chiefly to govern, in the management of a nation's affairs? I can say of the present administration, since its assumption of office, that purely party considerations have never been permitted to override the national interests, nor will they now be a determining factor in reaching a decision on a matter of first national importance. Party is most important, but it must be remembered that party is the instrument, not the end, of government. Each is essential to the other; without a party, and a strong party at that, very little in the way of good government can be effected. The end of government is the well-being of the country, the happiness, the prosperity and the contentment of its people. Party is the means to that end, the means of uniting in a common aim and effort men and women who feel and think alike on the problems of government, the instrument for bringing about the policies which it is desired to make prevail. The best party strategy has in view always what in the long run is for the best of the country.

I commend these sentiments to the acting leader of the government (Mr. Lapointe) and those associated with him just now in carrying on this government in the dilapidated condition in which we find it. Further, the Prime Minister said:

That brings me to the situation with which at the moment the government is faced. As a government we can carry on until 1927 if we so desire. As I have already said, I have not the least doubt we shall be able to command such support as we all along have had in the House of Commons at another session, but shall we be able to do more than that? That is the question I have put to every one of my colleagues in the government and to not a few of 116 members. It is a question I now put to you who have honoured me with your representation in the House of Commons. It is a question I put to the electorate of this country. Is it sufficient that, as a government, we should continue in office, drawing our indemnities and salaries as members and ministers, and enjoying the other fruits of office, when great national questions press for solution, with which, for want of an adequate majority in parliament we are unable satisfactorily to cope?

And then, after stating the difficult position of his party in the House when they had a majority, if I remember rightly, of 130 members combined, the right hon. gentleman proceeded:

I have come to the conclusion that it is not in the national interests further to postpone the day when questions that are pressing urgently for a solution can be dealt with in a reasonable and satisfactory manner.

Then, having digressed to make a personal attack on the leader of the opposition (Mr. Meighen), in which the country was not then nor is now particularly interested, the Prime Minister continued:

We could, I believe, so arrange our sessional programme as to continue to command in the House of Commons a support equal to that we have had during the last four years. But I doubt if we could do more than that. I doubt if, on the eve of a general election, we could introduce in parliament any great measure of reform without its whole aim and purpose being misconstrued and the legislation itself being thwarted. At most we would be reduced to marking time. This is not a moment in our country's affairs at which to hark time; it is a time to march forward.

Then approaching the very heart of the problem, in which the whole country was then and is now most deeply interested, more intensely interested, I think, than in the subject matter of the present Address, and upon which the future prosperity, I might almost say, the ultimate destiny of Canada depends, the Prime Minister said:

That brings me to a consideration of three outstanding national problems of the greatest importance

—the transportation problem, the problem of immigration, and the fiscal problem. To these I should add a fourth, the constitution and powers of the Senate. I can see no solution of the problems of taxation, no means of reducing materially our public debt, our income tax, our sales tax, and other taxes, apart from a satisfactory solution of the four problems here mentioned, all of which are inter-related and in more ways than one inseparably intertwined. May I say further, I believe each of the problems mentioned is a pressing one. I do not believe that any one of the four can be dealt with effectually at a last session of parliament. They can only be satisfactorily dealt with by a House of Commons fresh from the people and with a mandate from the people to carry out their will.

You will notice, Sir, there was no mention of rural credits, of the Hudson Bay railway or of old age pensions. He was discussing the four problems which the whole country then recognized to be vital, and upon which he was proceeding to invite the decision of the electorate and their mandate for the next four years. He proceeded:

I would say, further, I do not believe that any of the four can be dealt with effectively by a government which is not supported by a substantial majority in the House of Commons. Group government and minority government may be inevitable in transitional phases of our political history, but neither is the kind of government wherewith to achieve great reforms. In both Great Britain and the United States the electorate has shown within the very recent past that it wishes no more of either form, that what each believes the existing situation requires is a national party representative of all parts of the country, sufficiently strong in the representation it sends to parliament to insure the carrying out by the government of its plans and policies.

That is the pronouncement made by a party which went to the country, and which now stands with a greatly reduced representation in this House, assisted by the Progressive party, whose numbers have been reduced from 65 to 24—the Liberal party which now day by day in the eyes of the whole country shows that it is utterly incapable of properly carrying out the business of the Dominion—of functioning as a government. Then the Prime Minister proceeded to contend that his government was not solely responsible for the National railway system, in which contention we all agree, I think. He declared that despite the management of the National Railways, which, as he alleged, had been placed beyond political control, we must nevertheless admit that the balance sheets of the National Railways are of as much concern to the people of Canada as the balance sheets of the national ledger in all other particulars. He said:

The railway problem to my mind is the most important of all problems pressing for immediate solution. Can taxation be substantially reduced until we have overcome the deficits on our National Railways? Can the National Railways or the Canadian Pacific Railway reduce rates so long as there are deficits in the case of the one and a reduction in earnings in the case of the other?

Then he added:

There are many measures that might be adopted under the authority of parliament which would be to the advantage alike of the Canadian National Railways and the Canadian Pacific Railway, and of benefit also to the general public. It is not for me at this time to say in any final way what those measures should be.

Finality in this, as in all matters of legislative enactment, belong to parliament.

Referring to the appointment by the government of Sir Henry Thornton as executive head of the Canadian National Railway system, he continued:

It must be apparent, however, that something more is needed if government ownership is to have a fair trial in the fullest meaning of the words. So long as the system is handicapped by deficits, due in the main to encumbrances of the past for which the present management and directorate are in no way responsible, it cannot be said that government ownership is having a fair trial. It is equally true that so long as deficits on the National Railways continue, freight rates cannot be appreciably reduced, nor can our national taxation.

Then he referred to the competition for freight and passenger traffic which now exists between the two great railway systems, and added:

The situation is aggravated by the fact that the Canadian Pacific Railway is the largest single taxpayer into the federal treasury. Is that a position that is easily defensible, or defensible for long?

Proceeding with his discussion of the possibility of developing a policy of "regulated and controlled competition," the Prime Minister said:

What I want to make clear and repeat at the moment is that we have no problem more urgently in need of solution than the railway problem, that without its solution there is little or no chance of reducing our national debt and the income and other taxes, to say nothing of railway rates; that in the interests alike of the Canadian National Railways, the Canadian Pacific Railway and the public its solution must not be delayed, and that the solution can be worked out and given effect to only by a government that has a strong support in parliament and a mandate from the people to act. I am prepared to say that if given such a majority the present government will take up its task immediately and at an early date present to parliament the necessary legislation.

The hon. gentleman insists that he received his mandate from the people, but I notice in the Speech from the Throne there is an entire absence of any suggestion that the necessary legislation to effect these reforms will be introduced by the government during the present session. Then we have a lengthy disquisition on the late lamented Petersen contract, a brief reference to an arrangement with the railways regarding immigration, a gibe or two at the leader of the opposition, and then he declared, in pursuance of the announce-

ment which he made during the budget debate of 1924, and which I quoted, that:

The policy of the Liberal party is a tariff primarily for revenue.

And he announced the appointment of a tariff advisory board for the purpose of assisting the government in applying its policy of a tariff primarily for revenue only, from which every vestige of protection would be eliminated. He then said:

I believe that the people should be given an oportunity to pronounce upon a policy as far-reaching as that which is involved in this method of dealing with the tariff and other problems of taxation. That is another reason why I feel the time of a general election should not be postponed.

Dealing with Senate reform and the calling of a provincial conference to discuss the question, the Prime Minister continued:

As is known, the government has declared its intention of calling a conference of the provinces to deal with the question of Senate reform. Mr. Meighen is asking why the conference has not yet been called. I shall give him the answer. It is that the conference should be preceded by a general election at which the reform of the Senate is a principal issue, in order that its deliberations may be influenced by the known will of the people. That is another reason why I think an early election is advisable.

I think if you will look through the press of every constituency east of the Ottawa river you will not find a Liberal candidate in any one of those constituencies who presented Senate reform as one of the grounds on which he sought the suffrages of the electorate. The Prime Minister proceeded:

I have undertaken, if the government is in office—

It is in office—so they say.

—to see that the conference of the provinces will be held before another session of parliament. It will be for the people at the general election to make their will and their wishes known.

Then congratulating himself and the country upon the fact that this great work of Senate reform had been assisted by Providence removing certain members of the Senate from this terrestrial sphere—and he estimated that the Tory majority of 26 in that chamber would soon be reduced to 13—he continued:

I know I can say of those who have just been appointed that one and all have expressed their willingness to champion the cause of Senate reform, and I shall undertake to say that no further appointments will be made by the present government to the Senate except upon the distinct understanding that the appointee will give wholehearted advocacy and support to any measures of Senate reform the government, as a part of government policy, may ask both Houses of parliament to adopt.

Thereby striking a blow at the independence of the Senate and entirely emasculating it of all the independent powers which it must have if it is to act in the general interests of the whole country. And then he added:

May I—

Mr. CANNON: I rise to a point of order.

Some hon. MEMBERS: Oh, oh.

Mr. CANNON: The hon. gentleman said at the outset of his speech that in view of the present situation he would use every possible means to obstruct the business of the House.

Mr. CAHAN: I beg your pardon.

Mr. CANNON: That is what he stated.

Mr. CAHAN: I beg your pardon.

Mr. CANNON: I beg to draw your attention, Mr. Speaker, to rule 19.

Mr. ARMSTRONG (East Lambton): What does it say?

Mr. CANNON: The Speaker knows the rules. Rule 19 provides that:

No member shall speak disrespectfully of His Majesty, nor of any of the royal family; nor of the governor or person administering the government of Canada; nor use offensive words against either house, or against any member thereof; nor speak beside the question in debate. No member may reflect upon any vote of the House except for the purpose of moving that such vote be rescinded.

Then paragraph (h) provides that no member may:

Use his right of speech for the purpose of obstructing the business of the House.

If we are not now witnessing obstruction pure and simple I should like to know what obstruction is.

Mr. MEIGHEN: Go ahead.

Mr. SPEAKER: Has the hon. member for St. Lawrence-St. George anything to say?

Mr. LAPOINTE: He doesn't say anything, he simply continues.

Mr. CAHAN: Then he added: —

Mr. CANNON: One moment. I have raised a point of order. My hon. friend does not seem to know the rules of the House, but I hope he will soon learn. I rose to a point of order and stated the point and Your Honour was kind enough to ask the hon. member if he had anything to say. But the hon. gentleman does not even condescend to do so, he is continuing his remarks. I should like to have your ruling, Mr. Speaker?

Mr. SPEAKER: I understood the hon. gentleman a moment ago to deny that he had any intention of obstructing the business of the House, but he did say something sotto

voce. If the hon. gentleman did use the words imputed to him I did not hear them.

Mr. MEIGHEN: Just a moment.

Some hon. MEMBERS: Order.

Mr. MEIGHEN: I have the floor and I am speaking on the point of order. If objection is taken to any words uttered by an hon. member the objection must be taken at the time they are uttered. The words referred to by the Solicitor General were uttered two hours ago, or very nearly that time, and they were not the words of the hon. member for St. Lawrence-St. George in any event.

Mr. CANNON: They were the words he used.

Mr. MEIGHEN: They were the words attributed to him by the Solicitor General. But even if my hon. friend had uttered them it is too late now, after the expiration of an hour and a half to object.

Mr. SPEAKER: I may say that I listened very carefully to the address of the hon. member for St. Lawrence-St. George. I did not understand him to say that he would use all his efforts to obstruct the business of the House, but to prevent the adoption of the Address.

Some hon. MEMBERS: Hear, hear.

Mr. CAHAN: Evidently, Mr. Speaker, what I was saying with regard to certain prospective legislation was dependent upon a very big "if," namely, as to whether the leader of the Progressive group had consorted with others for a certain purpose, which he may undertake either to confirm or deny at his convenience.

Mr. ARMSTRONG (Lambton): Go ahead with your speech. Take your time.

Mr. CAHAN: And finally he declared:

> What I have said will have been sufficient to disclose that the government have decided upon a general election to be held this year.

Now, here is the important part, a very important part, of this discourse which had entirely escaped my attention until I began to read it carefully:

> Immediately upon the return of the Governor General to the capital yesterday, I waited upon His Excellency at Government House and presented to him the many considerations for an appeal to the electorate before another session of parliament which I have presented to you this afternoon. I asked for an immediate dissolution of parliament, and was told by His Excellency that the request would be granted.

Therefore in the address, from which I have read these copious extracts this afternoon, you have what purports to be essentially a verbatim report made by the right hon. Prime Minister himself, which he presented to His Excellency the Governor General, as the reasons for his request for an immediate dissolution of parliament and an appeal to the country. Then he proceeded:

> We now make our appeal for support, not to parliament, but to the people, and ask for that expression of public confidence which we believe our record of four years merits—

Mr. CANNON: I rise to a point of order.

Mr. MEIGHEN: Oh, oh.

Some hon. MEMBERS: Call it six o'clock.

Mr. CANNON: I think my hon. friends opposite are adopting a most extraordinary attitude. The more orderly the debate the better it will be for everybody concerned. The hon. member has been wasting the time of the House by reading us a speech, or a statement—

Some hon. MEMBERS: Oh, oh.

Mr. CANNON: —which has absolutely nothing to do with the business actually before the House.

An hon. MEMBER: There is no business.

Mr. CANNON: I wish once more to draw attention to rule 19. Under Paragraph (l) of that rule it is not in order for hon. members to:

> Discuss messages or reports which are not regularly before the House.

Let the hon. gentleman deliver his speech in accordance with the rules and we will have no objection. But do not let him waste public money in the way he is doing this afternoon.

Some hon. MEMBERS: Order.

Mr. SPEAKER: Does any hon. member wish to speak on the point of order?

Mr. MEIGHEN: There is no point of order.

Mr. SPEAKER: The point of order is not well taken.

Mr. ARMSTRONG (Lambton): Go ahead.

Mr. SPEAKER: The question before the House is as to the adoption or rejection of the Address. After certain amendments had been moved the hon. member for Nelson (Mr. Bird) proposed "That the question be now put," which would prevent the submission of further amendments. Consequently the debate is now proceeding on the main question. No one will deny that any hon. member has the right, on the main question, to discuss the policy of the government, as

well as any statement which may have been made during the campaign or outside it by the leader of the government. The hon. member for St. Lawrence-St. George is reading statements made by the Right Hon. Mr. Mackenzie King of the reasons why he asked His Excellency the Governor General to dissolve parliament. I do not see that there is any point of order involved. In my opinion the hon. gentleman is perfectly in order.

Mr. CAHAN: Of course, Mr. Speaker, these remarks are largely by way of an introduction to a discussion of the Address, showing the circumstances under which the Speech was prepared and written. The right hon. gentleman added:

We now make our appeal for support, not to parliament, but to the people, and ask for that expression of public confidence which we believe our record of four years merits, and for such support in a newly elected House of Commons as will enable us to give effect in legislation to the policies I have outlined this afternoon, and which we believe to be in the interests of national economy, national growth and national unity.

Then again at Erindale, on September the 8th, three days later, the right hon. gentleman again prepared a speech which was delivered by his secretary to the Canadian Press in which he appealed to the country at large for a substantial majority to enable him to carry out the platform and present to parliament the policies which he had enumerated three days before in the speech to which I have just referred:

If—

He declared:

—we were again faced with the situation that confronted us in the last four years, I should ask for another dissolution of parliament to get this matter straightened out, until we got a majority sufficient to meet the country's needs.

Then he proceeded:

Parliament was dissolved because the government felt it coulld not bring in reforms, could do no more than draw salaries without a clear majority. If we should ever be faced again with conditions such as obtained in the last four years, I would not hesitate to again call upon the Governor General to dissolve parliament, and would continue until some party secures a majority to enable it to carry on the affairs of the country.

The right hon. gentleman, I might say by way of parenthesis, seemed to have overlooked in that speech the elementary rules of responsible parliamentary government which, in the event of failure in his appeal to the electorate, would absolutely deprive him of the constitutional right to act longer as an adviser of His Excellency.

Mr. POULIOT: Would the hon. member be good enough to read also part of his Toronto speech?

Mr. CAHAN: As it is now six o'clock, I will reserve that for to-morrow, when I am perfectly willing to read the whole of it if the hon. gentleman will repeat his question.

At six o'clock the House adjourned, without question being put, pursuant to rule.

Thursday, February 18, 1926

The House met at three o'clock.

CUSTOMS INQUIRY

FIRST REPORT OF SPECIAL COMMITTEE

Mr. PAUL MERCIER (St. Henri) presented the first report of the special committee appointed to investigate the administration of the Department of Customs and Excise as follows:

Your committee recommend that leave be granted them to employ counsel for the purpose of assisting in the investigation of the matters referred to them.

He said: With the consent of the House, I beg to move:

That the first report of the special committee appointed to investigate the administration of the Department of Customs and Excise be concurred in.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): The motion ordinarily would require notice but I do not rise to take objection on that ground; personally I am prepared to give consent to its discussion. I do rise, however, to make some comment on the stand which the committee has taken in respect of counsel. I am informed that the committee's decision has been to ask this House for authority to employ counsel to act in its behalf, the counsel so employed to represent the committee in general. While my information is that this proceeding is concurred in by all members of the committee, it was adopted, as I am advised, after a much better method had been urged by those who represent the party on this side of the House, but had been rejected by the others. The proposal of the committee, that there should be a common counsel for all, seems to me anything in the world but satisfactory. I have never seen any investigation of the kind that was a success, any more than could an inquiry into facts before a court be a success were there only one counsel. In all such inquiries the proceedings inevitably divide themselves into two sections, just as any trial, civil or

criminal, naturally falls into two phases. There are on the one side those seeking to bring home guilt, wrongdoing, irregularity or whatever it may be, while there are on the other side those who endeavour to remove inferences of guilt, that is to say, in a word, to defend the case. That is the way all trials are conducted. Experience has shown that these divisions inevitably occur; and if counsel are to be employed for the committee, if the committee feels that it cannot undertake the labour—and I can quite understand that there would be very much labour entailed in the study of documents, the systematizing of evidence and exhibits, and all that—then surely it would have been in the interests of justice and of the arrival at the truth if the committee had followed the regular course and had one counsel prosecuting the investigation, analogous to prosecution anywhere, and another counsel representing the other side.

I do not think anything in the world can be gained by appointing a common counsel for the committee. It seems to me that the experience of last session, when what was alleged to be counsel for the committee was appointed in the Petersen investigation, should have been a warning to the House not to follow that process on a subsequent occasion. I should very much have preferred had the committee come before us with a request for counsel, the intention being that the regular course should be followed and that counsel on either side be appointed. I do not think that members of the committee are entitled to counsel at all, whether it be those representing us in this end of the chamber, those representing the government, or those representing the Progressive party; members of the committee are no more entitled to counsel than is a judge entitled to legal advice as to what he ought to do. It is the public that is entitled to counsel; the public is interested not only in the bringing out of the facts but in seeing as well that no injustice is done in the elucidation of those facts. The government is justified in employing counsel in the public interests and not in the interests of the committee nor as specially representative of any members of the committee. I am sorry that this view has not prevailed in the committee, and I apprehend that if what has been stated to me as the decision of the committee in the matter of counsel be followed, and if this motion passes, the investigation will turn out to be unsatisfactory. Certainly the relation of counsel to the investigation will be unsatisfactory and the public interest will not be served.

Mr. GARLAND (Bow River): Is it not true that the members of the committee have concurred in the terms agreed upon?

Mr. MEIGHEN: I understand that they have agreed, but the agreement has come only after the other plan along the lines I have urged was overborne.

Mr. FORKE: I hardly understand some of the remarks of the leader of the opposition (Mr. Meighen). The right hon. gentleman speaks about prosecution and defence, but I understood that this was to be a committee of investigation to get at the facts of the case and that there was no suggestion of either prosecution or defence. I think the leader of the opposition has the wrong view.

Mr. EULER: I listened with a good deal of interest and, at first, with sympathy to what the leader of the opposition said. What struck me as of great force was that the people should be represented, and it has just occurred to me that the members of the committee really represent the people and for that reason are entitled to counsel. Is not that a fair way of looking at the question?

Mr. MEIGHEN: I thought I had made myself clear. Certainly as members of parliament they represent the people; but a judge, too, represents the people in the exercise of his jurisdiction. Every investigation before a court, whether it be a civil or a criminal case, is an inquiry into facts, just as this investigation is; and every inquiry as to facts is best conducted when one end takes the prosecution and the other the defence. Experience has shown that this is the best course to pursue. Every inquiry, as I have pointed out, falls into these two divisions and it cannot be otherwise; that has been the history of jurisprudence in all countries. Now why should this be different from any other investigation? I am not urging counsel at all, although I know they are good counsel. But if the committee feels that there should be counsel then there is no reason for departing in this investigation from what time has proven to be the right method in all investigations as to facts, whether the facts appertain to a criminal or to a civil dispute.

Mr. MACLEAN (York): How many counsel are to be employed and for whom are they to act?

An hon. MEMBER: One.

Mr. MACLEAN (York): Is there to be any counsel representing the other side?

Mr. WOODSWORTH: Does not the position taken by the leader of the opposition imply that the committee must of necessity divide itself into two parts, one portion of the committee being inclined to assume the role of prosecutors and the other that of defenders? I take it that the committee and the House ought not so to divide. I understand that at least one member of the committee does not occupy any such position and if that gentleman is to be a sort of judge in the matter, then I would say that whether we have counsel representing either prosecution or defence, we should decidedly have counsel to represent as far as possible the interests of the people irrespective of party.

Mr. RYCKMAN: May I ask the hon. gentleman a question? Does a judge in a civil or in a criminal trial divide himself into two parts? Well, the committee is the judge.

Mr. WOODSWORTH: Decidedly he does not. That is the very reason why the committee should not so divide itself.

Mr. RYCKMAN: But there are counsel on each side in any proceeding before a judge, civil or criminal.

Mr. WOODSWORTH: I do not want to trespass, Mr. Speaker, but I would suggest the trouble is we are turning a parliamentary committee into a court.

Mr. RYCKMAN: That is what it is.

Mr. CAHAN: That is almost inevitable.

Mr. KENNEDY (Peace River): Mr. Speaker, I regret I was not in my seat when this discussion began. Since the committee has been sitting I have reached the conclusion that we ought to have counsel representing the Conservative party, the Liberal party and myself respectively.

Mr. MACLEAN (York): Now it is coming out. We ought to have three counsel.

Mr. KENNEDY (Peace River): We met yesterday in camera, but I was overridden. The recommendation now made I moved in the committee this morning in deference to the unanimous opinion of the other members. Of course, if the House is opposed to the recommendation, well and good; but this recommendation expresses the opinion of the committee that, so far as the committee itself is concerned, we ought to have counsel—possibly more than one.

Mr. R. B. HANSON (York-Sunbury): Mr. Speaker, I understand the government of the day has already appointed Mr. Geoffrion, of Montreal, as counsel for the defence. If that is a fair statement of the position, then I think in justice to the public some able counsel should be appointed to see that all the facts in relation to the charges now under investigation are put forward. Any counsel for the committee will merely act in an advisory capacity, and it will not be incumbent upon him to put forward the charges which have been made against the Department of Customs in the same manner as he would if he were free to act in the capacity indicated by the right hon. leader of the opposition. I for one do not think it would be satisfactory to have this report concurred in.

Hon. GEORGE H. BOIVIN (Minister of Customs and Excise): Mr. Speaker, I would not have risen had it not been for the remarks of the hon. gentleman who has just taken his seat (Mr. Hanson). I again want to make it quite clear to the House and to the country that there is no defendant in this matter. It was on a government motion that this committee was appointed. The government asked for the appointment of the committee after the charges of the hon. member for Vancouver Centre (Mr. Stevens), had been levelled against the Department of Customs, to thoroughly investigate the department. When the attorney for the Department of Customs was appointed, it was not for the purpose of defending anyone. We have no one to defend. We are just as anxious as hon. members on the other side to prosecute and punish those who may be found guilty. An attorney was appointed to assist in making the investigation. He was offered to the committee as counsel for the committee. That offer was refused. An offer was made that another attorney—and a very eminent gentleman's name was mentioned—would be retained, if desired, to act on behalf of the people of Canada. That offer was refused. To-day the committee unanimously decided that they required the services of counsel to assist them and the government has no objection that such counsel be appointed.

Mr. HANSON: In the light of what the hon. minister has said, may I ask why it is that the services of Mr. Geoffrion are being continued? The minister says the department has no defence to make.

Mr. BOIVIN: The services of Mr. Geoffrion are being continued in the interests of the Department of Customs because so far no other counsel has been appointed, and not until we are thoroughly convinced that it is the intention of the new counsel to probe the administration of the department very thoroughly, not only during the past year but during the past eight, ten, twelve or perhaps twenty years, will we dispense with the services of the counsel already retained.

Mr. JEAN J. DENIS (Joliette): Mr. Speaker, the Minister of Customs (Mr. Boivin) has just said that the committee this morning unanimously decided that counsel should be retained to assist them. This places me in a better position than I would be in if members of the committee who sit on this side of the House had themselves recommended this course. Now, I may be wrong, but I do not see the necessity for counsel. The hon. member for Vancouver Centre has brought charges against the Department of Customs and Excise, and it is up to him to prove those charges; it is not the duty of the committee to find witnesses for him. The committee is acting as judge of the evidence to be adduced before it. If the hon. member for Vancouver Centre has no evidence to bring forward, so much the worse for him; but the committee has nothing to do with that. The Minister of Customs drafted the order of reference in such wide and ample terms as to give the hon. member every facility to substantiate his charges. The duty of the committee is to hear the evidence and report upon it to the House, and having done so its powers are exhausted. In the last resort, it is for this House to determine whether or not that report shall be accepted or rejected, or to send it back to the committee with certain instructions. That is the procedure. I repeat, Sir, that I cannot see the necessity of retaining counsel to act on behalf of the committee.

Hon. HUGH GUTHRIE (South Wellington): Mr. Speaker, it is quite true, as the hon. Minister of Customs has stated, that the motion to appoint the Customs committee was made by the government. But it is equally true, and within the knowledge of everyone in the House, that certain charges were made by the hon. member for Vancouver Centre of maladministration in the Department of Customs—

Mr. BOIVIN: I said that.

[Mr. Boivin.]

Mr. GUTHRIE: —and it was in respect of those charges, some of them very definite and very positive, that this committee of investigation was appointed. Personally I would have no objection whatever to the employment of counsel by the Department of Customs; I think under all the circumstances that is their right. But there is another side to the case—the public. Now, the public are concerned. My hon. friend from Joliette (Mr. Denis) stated that the member for Vancouver Centre had made certain definite charges. He certainly has made some very broad charges. My hon. friend from Joliette lays the burden on the shoulders of the hon. member of proving those charges. Surely, then, he should have something to say in regard to the prosecution of those charges before the committee. I think we are all well aware that three members of the committee represent the government side of the House—

Some hon. MEMBERS: Four.

Mr. GUTHRIE: —four members of the committee represent the opposition side, and one member represents the Progressive side. My information is only gained in the corridors, but I understand it was insisted that every one of those political parties should have counsel—for what purpose I hardly know. The idea to me was absurd, and I so expressed myself when I heard it. One party of members representing the government to have counsel, another party of members representing the opposition to have counsel, and the third and single member representing the Progressive party to have counsel! Surely that is not in the interests of justice, of fair play or of anything else. My hon. friend from Joliette, said he would be prepared to accept the proposition that no counsel be employed. Were it not for the tremendous amount of work that is to be performed, I think his suggestion would be a good one, and that the committee might deal with the matter themselves without counsel. But in this case there is so much involved and there are so many ramifications to be dealt with that I doubt if any nine men could do justice to the case without the reasonable assistance of counsel. If there is to be counsel for the committee one should suffice, but I think my hon. friend from Vancouver Centre should be the one to name that counsel. The government, or the Minister of Customs at the present time, has employed counsel, which I think is proper.

Mr. MEIGHEN: Hear, hear.

Mr. GUTHRIE: Surely then he will allow those who have laid the charges, who have

been the real instigators of the investigation to appoint counsel on their behalf, in order that all sides of the case may be fairly laid before the committee.

Mr. BOIVIN: I would like to ask the hon. member a question. Does he not consider it sufficient for the hon. member for Vancouver Centre (Mr. Stevens) to be at the same time the accuser and the judge, without giving him all the powers of the House of Commons?

Mr. GUTHRIE: Oh no.

Motion agreed to.

UNEMPLOYMENT RELIEF

On the Orders of the Day:

Mr. T. L. CHURCH (Toronto Northwest): I would like to call the attention of the government to the acute unemployment situation in the larger centres of population this spring, and to learn if the government will consider by Monday adopting the proposal of the conference on unemployment by which this government was to contribute its share of one-third to help the provinces and municipalities and thus to relieve the whole unemployment situation.

Hon. ERNEST LAPOINTE (Leader of the House): The government has already announced that it is prepared to do so. That is our understanding with the municipalities and the provinces.

HUDSON BAY RAILWAY

On the Orders of the Day:

Mr. FRED DAVIS (East Calgary): I desire to ask the government if a promise has been made to a special group, or the leader of a special group in the House, that a bill to provide for the construction of the Hudson Bay railway will not be introduced, but that to guard against the defeat of the project by the Senate a substantial amount will be included in the estimates for the work.

Hon. ERNEST LAPOINTE (Leader of the House): I would say to my hon. friend to wait and see. The government has announced in the Speech from the Throne that it is going to see that the Hudson Bay railway is constructed.

Mr. MEIGHEN: The hon. member asked if the government of the day had given a promise.

Mr. LAPOINTE: Nothing except what is in the Speech from the Throne.

FLOOD CONDITIONS AT STUARTBURN, MANITOBA

On the Orders of the Day:

Mr. A. L. BEAUBIEN (Provencher): I desire to refer to a despatch from Winnipeg appearing in the Montreal Witness of February 17:

> Claiming they are faced with starvation and without means of preparing their land for seeds, through lack of funds, residents of the Stuartburn district of Manitoba have forwarded a petition to the provincial government, appealing for assistance. Disastrous floods, caused by the overflow of the Roseau river last spring, ruined the crops of the district.

I desire to ask the Minister of Immigration (Mr. Stewart, West Edmonton) a question, and the reason I ask the Minister of Immigration is that all the people residing along that river have been brought here under our immigration system. Has the minister anything to say, and if so, what action does the government intend to take?

Hon. CHARLES STEWART (West Edmonton, Minister of Immigration): I have not heard anything of the complaint my hon. friend has brought to the attention of the House.

TRANSPORTATION OF COAL

RATE ON NOVA SCOTIA COAL

On the Orders of the Day:

Mr. ROBERT K. SMITH (Cumberland): I desire to ask the Minister of the Interior (Mr. Stewart, West Edmonton) whether he intends to use his influence and good offices with the management of the Canadian National Railways in connection with the movement of 15,000 tons of coal from Cape Breton to Montreal. I understand that Sir Henry Thornton was in Ottawa yesterday. Did Sir Henry Thornton interview the minister, and if so, has the minister anything to report to the House in that connection?

Hon. CHARLES STEWART (West Edmonton, Minister of the Interior): I did not see Sir Henry Thornton yesterday, but a day or two ago I had a letter from Mr. Vaughan, the purchasing agent of the Canadian National Railways, stating that they had instructed the British Empire Steel Corporation that they were prepared to increase the order of 120,000 tons to be mined and banked for future delivery to 135,000 tons, the additional 15,000 tons to be mined at the Princess mine. Just the other day he informed me that they had received word that the mining company were not prepared to increase that order by 15,000 tons; in other words they were not prepared to bank that coal. That was the state-

ment I received from Mr. Vaughan. I do not recollect, but I think I am safe in saying that the excuse given was that it was going to cost too much money. Since that date I have heard nothing further in the matter, but I did hope the mining company would go ahead, mine that small amount of coal and bank it. I cannot see why it should make any material difference to them in an order of the magnitude of 135,000 tons.

SOLDIER SETTLERS' LAND

On the Orders of the Day:

Mr. J. A. CLARK (Vancouver-Burrard): I call the attention of the government to a report that fifty families of immigrants are being settled on lands on the Fraser river, British Columbia, lately vacated by soldier settlers who were not able to make their payments. I understand these immigrants are being settled there at valuations less than those originally placed upon the lands. I should like to inquire whether it is a fact that immigrants are being settled on vacated soldier settlers' lands, at valuations below those originally placed on the lands, and if that is the fact, why those lands are not revalued for our own soldiers who formerly occupied them or who now occupy them?

Hon. CHARLES STEWART (West Edmonton, Minister of the Interior): With reference to the first question, I will have to get the information from the Soldier Settlement Board. I do not know of that particular locality being set apart for the settlement of British settlers, but I presume the information is correct. With reference to the second question, in regard to the placing of these British settlers on the lands at a lower valuation than that placed upon the lands for the settlement of the soldiers, I have heard that complaint on two or three occasions. I will also make inquiry to find out what are the facts in that connection.

STATUTES OF CANADA

CHARACTERIZATION OF LAW BY JUDGE ON THE BENCH

On the Orders of the Day:

Mr. H. C. HOCKEN (Toronto West Centre): I would like to direct the attention of the Minister of Justice (Mr. Lapointe) to some remarks recently made with regard to one of the statutes of this country, and ask him if in his opinion it is competent for any judge in trying a case to say that the law he is administering is a barbarous law and unworthy of any Christian country?

Some hon. MEMBERS: Order.

[Mr. C. A. Stewart.]

Mr. SPEAKER: Under the rules of the House:

> All references to judges and courts of justice and to personages of high official station of the nature of personal attack and censure have always been considered unparliamentary.

I would also call the attention of the hon. member to paragraph 234 (i) under rule 19, which says that a member must not:

> (i) cast reflections upon the conduct of judges of superior courts unless such conduct is based upon a substantive motion.

Mr. HOCKEN: Mr. Speaker, I do not think I am infringing the rules of the House when I ask the hon. Minister of Justice whether he intends to take any cognizance of these statements from the bench. The remarks in question referred to one of the statutes of the Dominion of Canada, and I was asking the Minister of Justice whether it was competent for a judge to refer to them in that way.

Mr. SPEAKER: The right course for the hon. gentleman to take, speaking from my experience of over thirty years of parliamentary life, would be to move for a return asking for a copy of the judgment, and then it could be debated in the House.

Mr. HOCKEN: All right.

GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

The House resumed from Wednesday, February 17, consideration of the motion of Mr. J. C. Elliott for an Address to His Excellency the Governor General in reply to his Speech at the opening of the session, and the proposed motion of Mr. Bird: "That this question be now put."

Mr. C. H. CAHAN (St. Lawrence-St. George): Mr. Speaker, as I was about to close the remarks I was making on the approach of six o'clock last evening, my hon. friend the Solicitor General (Mr. Cannon) interjected that I should deliver my speech in accordance with the rules of this House. In that respect, Sir, no one could have more anxiety to abide by the rules of the House than I, and I am sure that that is the spirit actuating the entire body of hon. members who sit on this side of the House. The hon. gentleman, referring to myself, said:

> But do not let him waste public money in the way he is doing this afternoon.

That statement has the same tinge of exaggeration which sometimes characterizes the platform utterances of my hon. friend.

Mr. CANNON: Mr. Speaker, I rise to a question of privilege—

An hon. MEMBER: I rise.

Mr. CANNON: I am rising to raise the point that when I made the remark referred to by the hon. gentleman, I asked Your Honour to remember his opening remarks as to his intention to obstruct the business of the House. The hon. gentleman denied having said any such thing. I would refer Your Honour to Hansard of yesterday, where at page 1086 the hon. gentleman expressed himself as follows:

> But when the hon. gentleman seeks to preclude us from reaching a vote of want of confidence in this House, when he seeks to gag us in the discussion of what we regard as material and vital to the interests of this country, I can tell him that so far as I am concerned he will have to change the rules of the House to prevent my obstructing, in order to prevent the forcing through of any such measure as that.

So I submit that when I said he was wasting the money of this country—

Some hon. MEMBERS: Order, order.

Mr. CANNON: —I submit I was correct because he had said that he was going to obstruct.

Some hon. MEMBERS: Order.

Mr. SPEAKER: The expression "obstruction" is not unparliamentary, and when an hon. member says that he will do his utmost to prevent any resolution from passing, he is not using an unparliamentary expression. I have been through debates myself in times gone by and I do not know that speaking against certain legislation, even though speaking for several hours, is against the rules of the House. As I said yesterday, the previous question prevents any amendment, but it does not prevent a member from speaking as long as he wishes on the main motion.

Mr. CANNON: I bow to your ruling, Mr. Speaker—

Some hon. MEMBERS: Order.

Mr. SPEAKER: I ruled yesterday that the hon. gentleman had not acted in an unparliamentary way by stating that he would do his utmost to prevent a certain resolution passing—

Mr. CANNON: Obstruct, he said.

Mr. SPEAKER: Yes, but that is not unparliamentary.

Mr. CAHAN: Mr. Speaker, I was referring yesterday to the possibilities of my action at some future time when certain measures were before this House, in certain contingencies, and I certainly shall abide in such case by the rules of the House and abide by any decision which Your Honour may make. The hon. Solicitor General proceeded to state:

> But do not let him waste public money in the way he is doing this afternoon.

I wish to reiterate again that I defy the hon. gentleman or any other hon. gentleman in this House to show in what way and to what measure we are wasting public money in this House. I wish to state to the hon. gentleman, and he knows it is true, that so far as this House is precluded from dealing with public business, it is due to resolutions introduced by the leader of the House and accepted by a majority in the House, that we are precluded from proceeding at the present time with the public business of the day. We have had laid on our tables to-day an order paper containing some 56 pages of printed matter, dealing with a great volume of public business, proposing resolutions affecting the vital interests of this country, but under the resolution which the leader of the House has had passed by his majority it is impossible for this House to consider one of them. More than that, I repeat that the leader of the House cannot at the present time state that he has one single public measure ready to submit to this House. If he has such a measure, and if he is willing that this House shall proceed with the despatch of business, I for one am prepared to ask the leader of the opposition (Mr. Meighen) and those supporting him to assist in rescinding the resolutions of which the hon. gentleman has secured passage, because there is nothing in the rules or the practice of the House, there is nothing in the dicta or precepts of parliamentary procedure, which prevent the government from proceeding with the despatch of business, proceeding with their public measures, and holding in abeyance for the time being or postponing to a future time in the session the further consideration of the Address.

Mr. LAPOINTE: Will the hon. gentleman allow me a question? He has asserted this afternoon, as he did yesterday, that I am responsible—

Mr. CAHAN: Oh, no.

Mr. LAPOINTE: —for this debate going on because of the resolution which I moved that the Address should have precedence over other matters until disposed of. Of course my hon. friend knows that is the usual motion, but my question is to this effect: He says this resolution of the leader of the House was accepted by the majority of the House. Does he not know that it was agreed to by the unanimous vote of the House including himself?

Mr. CAHAN: In reply I wish to say to the hon. leader of the government that if he is now willing to rescind that motion—

Some hon. MEMBERS: Oh, oh.

Mr. CAHAN: —the real dart of which was in a subsequent motion which we opposed, the real crux of which was disclosed when he by a majority secured the passage of a further resolution declaring that upon the adjournment of this House after the close of the debate on the Address this House would stand adjourned to March 15, and if he is now prepared to amend or to reconsider the position which he then took—a position which we endorsed when we had no knowledge of the further motion which he was about to propose—I can assure him—

Mr. STEWART (Edmonton): Does the hon. gentleman ever read the newspapers?

Mr. CAHAN: I do, although I do not accept all that is said in them. But I read the newspapers to this effect—that hon. gentlemen opposite are endeavouring to disseminate in their party press that we who are addressing the House on this motion are thereby obstructing public business—

Some hon. MEMBERS: Hear, hear.

Mr. CAHAN: —thereby rendering necessary an expenditure which under other considerations would not be necessary. And I say that those statements, which are also expressed in the short, sharp interruption of the hon. Solicitor General as I was about to close my address for the time being at six o'clock last night, are not in accordance with the facts, and that the verities should be known.

Mr. CANNON: Mr. Speaker—

Some hon. MEMBERS: Order.

Mr. CANNON: Will the hon. gentleman—

Some hon. MEMBERS: Hear, hear.

Mr. CAHAN: I am sorry that my very pleasant remarks act as a pin prick upon the conscience of the hon. gentleman.

Mr. CANNON: Mr. Speaker—

Some hon. MEMBERS: Sit down.

Mr. CAHAN: The position in which we find ourselves to-day—

Some hon. MEMBERS: Louder.

Mr. CANNON: Mr. Speaker, if hon. gentlemen opposite have any sense of fairness—

[Mr. Lapointe.]

Mr. SPEAKER: If the hon. member for St. Lawrence-St. George does not wish to be interrupted that is his privilege. The rule is well known. An hon. member addressing the House and not wishing to be interrupted is within his right in declining to yield the floor.

Mr. CAHAN: I have no objection to being interrupted in the ordinary course of events, but when the hon. gentleman propounds questions for the mere purpose of creating a turmoil and disorder almost unprecedented in this assembly I ignore his interruptions.

On the issue between myself, and those who are of the same opinion as I, and hon. gentlemen opposite, we on this side are unanimously agreed that this government is utterly incapable of carrying on the public business of the country. It has demonstrated that clearly by refusing day by day, and week by week, to introduce one public measure for our consideration. Furthermore if there were any doubt in the mind of any hon. member here, if there were any doubt in the mind of any person in this country as to the utility—and not only the utility but the absolute necessity—of this parliament functioning while the special committee investigating into the administration of the Department of Customs and Excise is conducting its inquiry, I think it was disclosed here to-day how absolutely necessary it is. It is absolutely necessary in order that there may be a full investigation into those matters which resulted—according to the estimate I think, of the right hon. Prime Minister a year ago—in some $50,000,000 of defalcations in the public revenues of Canada. Therefore I say that hon. gentlemen opposite will not meet with very substantial support from the public of Canada when they talk about the expense into which we are plunging the country in continuing this debate, and in continuing to consider the matters which were presented to us by His Excellency the Governor General in his Speech from the Throne.

4 p.m.

When parliament was convened there was a phrase in the message received from His Excellency the Governor General which was in accordance with the tradition and practice of parliament for all time. It was that phrase in which he announced, through his deputy, that he did not see fit to declare the causes of his summoning the present parliament of Canada until the Speaker of the House of Commons should have been chosen according to law. He then indicated to this parliament that upon our choice of a Speaker to

preside at our assembly, he would, in accordance with ancient practice and tradition, declare the causes of his summoning the present parliament of Canada. Unfortunately His Excellency the Governor General may speak only such words as are committed to him by the Prime Minister of Canada for expression, and when we met we had the declaration by hon. gentlemen opposite that parliament was convened, for what? Did they declare that parliament had been convened in order that the assembled members might decide whether the government, in the shattered condition in which it was, still had the confidence of this parliament? The one thing which is absolutely necessary in our governmental institutions is that the Prime Minister shall deal with absolute frankness with His Excellency the Governor General and this parliament in all matters that are placed on the lips of His Excellency. Therefore, that statement, if properly presented, we agreed, might have been a matter upon which this House might decide, upon which, if there were any doubt about the matter in the minds of hon. gentlemen, they might call upon the members of this House to decide. But no such intimation appears in the Speech of His Excellency to parliament. It was not even intimated that parliament was asked to decide upon that question, and if there were any doubt about the matter, the Prime Minister had no authority whatever to present to this House a Speech from the Throne until that preliminary question had been decided by the House. That was very clearly stated by the hon. member for West York (Sir Henry Drayton) when he referred to May's Parliamentary Practice, twelfth edition, at page 142, and showed that the proper practice, in case the House was convened to enable parliament to decide whether or not the government would be sustained, was to postpone the delivery of His Excellency's Speech and to invite the House to decide that question upon the government's record and not upon the entirely new promises set forth in the Speech from the Throne. Hon. gentlemen opposite abandoned the precepts of the constitution and they introduced a new message which is now before us.

I took some pains yesterday to read to the House at great length the official declaration made by the Prime Minister of the considerations which he had presented to His Excellency when asking for a dissolution of parliament. I also gave from the mouth of the Prime Minister a complete and detailed statement of the issues upon which he appealed to this country. He also stated, in those addresses at Richmond Hill and Erindale, that he was prepared to appeal to and to abide by the decision of the people on the issues which he then presented. But when our hon. friends who now form the remnant of the government became parties to the presentation to this House of an address, under the circumstances under which they presented it, they omitted every single consideration which had been presented by the Prime Minister to His Excellency as a reason for dissolution. They omitted every ground upon which they had appealed to the people before, and by abrogating, annulling and refusing to follow the proper parliamentary practice, they came in with their bids for political support on grounds that they had never before dared to place before parliament and the people of this country. I told hon. gentlemen the other night some of the evils which were bound to flow from such an utter disregard of the precepts and practice of the constitution, and the result is this: They have themselves introduced anarchy into this House and they cannot complain if, within the rules, members on this side show that it is impossible for this mutilated government to function.

Some hon. MEMBERS: Oh, oh.

Mr. CAHAN: Hon. gentlemen opposite may laugh, but this country is not laughing. This country from one end to the other is in a state of the greatest anxiety, in a state of business depression, in a state in which the people are looking forward to ascertain if some stable government can be given them. Old enterprises are being curtailed, new enterprises are not being undertaken. From day to day it has been suggested by hon. members, whether they be from British Columbia, Hamilton, or Sydney, that under industrial conditions which prevail, men, women and children are in destitution and starving to death in this country, and that starvation and destitution will continue so long as this defunct government undertakes, against the will of the people, the functions of government which they are utterly incapable of exercising and which, if they attempt to exercise, they must exercise in so inefficient a manner as to disgust men, women and children throughout the length and breadth of Canada.

Mr. GARLAND (Bow River): May I ask the hon. gentleman a question?

Mr. CAHAN: I am not answering questions this afternoon as I want to finish my remarks before midnight. Hon. gentlemen yesterday persisted in asking me questions; they took up the whole of the time of the

House, and then they blamed and condemned me for wasting the public moneys of the country. Without the interruptions, I certainly should have concluded my few remarks by at least six o'clock yesterday evening. Now it may be that I shall be unable to finish my address before six o'clock to-morrow morning. In these matters in which there is a conflict between us there apparently can be no decision in this House; no matter if my hon. friends of the Progressive party support the government unanimously in all their iniquities, it will be impossible for that government to function long. In such a case, I wish to present to them the opinion of their honoured leader the late Sir Wilfrid Laurier who, under similar circumstances on April 9, 1913, said:

> As I have said, there are some occasions on which there is a cleavage between the majority and the minority, and then there is an easy remedy, an easy solution. The remedy is not closure; it is not the application of brute force. The remedy is an appeal to the people. The people, after all, are the judge and the jury. The people, after all, are the parties to pass judgment as between the government and the opposition, as between the majority and the minority.

The vociferous remarks of hon. gentlemen opposite about the time of this House being wasted will have no effect upon me, because I understand and I believe in my inmost heart and mind, that the people of this country will never be satisfied until they have an opportunity to decide between those on this side of the House and the present members of the government on the other side. The people must decide this question unless we call a constitutional convention, which is not impossible in view of the manner in which parliamentary rules and practice have been broken down by hon. gentlemen. But saving that alternative, the judge and jury are the electorate of this country and only they can give the final decision on the issues that now divide parliament.

Mr. MacLEAN (Prince): The people have decided against hon. gentlemen opposite but they will not accept that decision.

Mr. CAHAN: They have decided against the hon. member, and that remark comes with ill grace from one of a body of men who represent a minority in this House and who are fewer in number than those who are criticizing them to-day.

Mr. MacLEAN (Prince): Hon. gentlemen opposite are the only people in the country who do not realize that they are defeated.

Mr. CAHAN: That shoe belongs to the other foot entirely my friend.

[Mr. Cahan.]

Mr. MacLEAN (Prince): Not at all.

Mr. CAHAN: Whether there is any doubt about it or not, the fact is obvious that the people of the country are utterly dissatisfied with the present state of affairs. If that state of affairs continues, without stable government and without stable industrial and commercial conditions in Canada, you will find the present dissatisfaction increasing and increasing until it will become a tumultuous volume from the Atlantic to the Pacific.

Mr. MacLEAN (Prince): That is only the hon. member's private opinion.

Mr. CAHAN: I am giving my private opinion. In dealing now with the subject matter of the Address a little more closely, I do not desire to digress unless I am induced by hon. gentlemen opposite to do so. Let me observe in the first place that the people are looking for a strong, stable and constructive policy, for a solution of the very grave problems to which the Prime Minister referred in his speech and which I quoted yesterday, but which are not referred to in the Speech from the Throne. In the conditions that have prevailed in Canada for some time now, we find that during the past four years we have had a diminishing industrial employment at wages which would permit people to live, and such diminishing employment means in every case diminishing production, diminishing internal domestic trade, which is the most important trade to the country, the trade which most speedily builds the country up industrially and creates its wealth; we have had diminishing home markets for our products; diminishing traffic for our railways; diminishing railway revenues, necessitating increased taxation; and diminishing prosperity for all classes of the people. I notice in the latest returns to which I have access that during the three years from 1922 to 1924 inclusive the income tax returns of Canada showed that the assessed incomes available for taxation in the country had decreased in the aggregate by $370,000,000, indicating that the people of the country are not earning the incomes which they previously did. In Canada the ordinary income tax is four to five times as heavy as it now is in the United States. The men who have large capital in Canada are investing it in the United States where it will not be subject to heavy income taxes such as are extorted from the people of Canada. The burden of taxation in Canada, as I said yesterday, is really about one-fourth of the total output of all the productive energies of the entire people, and it is a burden which is as great as, if indeed

not greater than, the burden which France had to bear after her tremendous efforts throughout the years of the war. The burdens on the backs of the Canadian people are increasing while the number of people who are left to bear them is continually decreasing as a result of the exodus of our best brawn and brain—brawn and brain quite the equal of any, and for work in this country quite superior to any body of immigrants whom we may bring into Canada under the immigration policy of hon. gentlemen opposite.

Now the obvious remedies for the deplorable conditions existing in Canada are, it seems to me, first, to increase the permanent and remunerative employment available to the people of Canada, and secondly to reduce the burden of debt and of taxation, which now overwhelms us, to a basis somewhat equivalent to that which obtains across the border in the United States. We must encourage an increasing production in agriculture and we must develop our mines, our forests and our fisheries by increasing the demand for the products of these industries in this country and their utilisation here in the production of finished commodities of greater value through the use of the labour and capital of the country. In addition to that, we must safeguard and protect the Canadian manufacturing industries, protect the farmers of the country, and protect every producer in Canada against all unfair and injurious competition from abroad in order that all products which may properly be turned out in Canada by Canadian labour shall be produced for our own use. In this way we shall increase the industrial activities of the whole country; in this way, beyond all peradventure, we can create remunerative employment and give that stable living wage to which the leader of the Labour party (Mr. Woodsworth) has referred in one of the resolutions he intends to propose to the House. We can find employment for tens of thousands by producing in Canada the things which at present we import from abroad. Those imports we can readily manufacture here if we are protected against the cheap labour of foreign countries. I declare that we are able to produce $500,000,000 worth of our present imports by Canadian labour, thus giving employment and support to at least a million and a quarter more people, if we put into force the policy that should obtain in this country. In Canada over 60 per cent of our imports are of the same character as the goods we produce right at home, and the products of this country are as good as those we get from abroad. In the United States, on the other hand, less than 30 per cent of their imports are of the same character as the products they manufacture in the country. Hon. gentlemen tell me that prosperity depends essentially upon building up an export trade. I grant that prosperity may be assisted by an export trade in the surplus products of this country raised to the highest standard of manufacture and production of which we are capable. The sale abroad of five million bushels of wheat in the form of flour is far more beneficial to this country than the sale of five million bushels of wheat simply, because the grinding of that wheat into flour gives employment at home, and the by-products are essential to promoting the activities of the farm.

Now, I wish to recapitulate to this extent: that 40 per cent at least, probably nearer 50 per cent, of our population depends directly or indirectly upon the prosperity of our manufacturing industries for its livelihood and well-being. When hon. gentlemen compare the cost of the sale of domestic articles with the price of similar articles produced on the other side, they must remember that we have business taxes which no longer exist in the United States—we have sales and stamp taxes to the extent of millions of dollars levied upon the industry and business of this country, and this levy ultimately is placed upon the productive energies of our people; but the industry of the United States has been relieved of this burden, and consequently is able to produce much cheaper than we can.

It seems to me that to decrease the burden of taxation we must, for the time being, postpone all extensive expenditures upon capital account which are not now really necessary for the well-being of the country, and we must postpone especially those expenditures which promise no increase in public revenue within a reasonable period of the future. We must, as I stated yesterday, pare down the cost of federal administration and federal services to the lowest possible limit. We must also reduce the annually recurring deficit on the Canadian National Railways. I believe that the source of revenue for a large part of that existing burden will be found in a due increase of the industrial activities of this great country. When I say, "industrial activities," I refer to farm activities, to the growing of wheat, as well as to all the other productive activities which have been hampered by the policy pursued by hon. gentlemen opposite, and still more by the threats which they have pronounced not only in this House but upon public platforms as to what they would do if returned to office. Nothing would more help us in stabilizing and increasing employment for our people than the re-

duction of this ever-increasing taxation. Nothing would more speedily raise the standard of living in this country. Nothing would more quickly increase our purchasing power. It would check emigration to the United States; it would bring in suitable immigrants without the expenditure of millions of dollars for that purpose; it would, as I said before, rapidly increase the net revenues of our railways; it would distribute the burden of debt over a larger number of people, and so assist every citizen by decreasing the burden which falls upon him individually; it would decrease the burden of taxation borne by every Canadian family, especially the family which relies upon the manual work of its head.

Now, Mr. Speaker, these matters which are of paramount importance to the people are entirely ignored in the Speech from the Throne. It is not because hon. gentlemen opposite are not conscious of them, because those problems have been so impressed upon the Prime Minister that he went officially to His Excellency the Governor General and asked for a dissolution of parliament in order that he might solve them. He presented the same problems to the people. But finding that he is returned in a minority, finding, as he himself has confessed, that it is utterly impossible for him under present conditions to present even a modicum of a solution, he utterly ignores those problems in the Speech from the Throne; in other words, he utterly ignores them in the programme presented to us for our consideration in that speech.

I think, Sir, that the present government has shown beyond all doubt during the past four years, and by its conduct during and since the federal election, that it is utterly incapable of dealing effectively with these existing conditions for which the whole country demands a remedy. The defeat of the present government in this House and in the country would again give confidence and courage to the great body of employers and employees who are dependent for their living upon the assured and stable prosperity of Canadian industry in all its branches. The defeat of the present government in this House and in the country would create immediately profitable employment for Canadian funds at home which now seek investment in the more stable American securities and industries. The defeat of the present government would encourage and increase the investment of foreign funds in this country in every efficient and well-managed industry, and induce the establishment of a great number of industries which are really necessary to supply the necessities of our ordinary standards of living. In other words, the summary and unequivocal defeat of this government will, I am sure, inaugurate an era of general prosperity throughout Canada, the like of which we have not known for many years. That being so, so far as the rules of this House permit, so far as parliamentary practice admits, yielding as we must and will when we go astray owing to the freedom of our remarks to the decisions of His Honour the Speaker, I say it is the duty of this House now to establish before the eyes of the whole country the actual facts—that this government is not functioning, that it cannot function, and that the prosperity of Canada remains in the balance until these conditions are changed.

[Mr. Cahan.]

Hon. LUCIEN CANNON (Solicitor General): Mr. Speaker, we have listened to a speech which has lasted nearly five hours and a half, a speech that was delivered, according to my hon. friend's peroration, for the purpose of showing, first, that he was gagged, and, secondly, that this government could not function. I wonder, Sir, if the hon. gentleman had not been gagged, how long his speech would have lasted. As to his second contention, I say that he did not show to the country that this government cannot function, I will in my few brief remarks show him that the will of the Canadian people will prevail in this House, notwithstanding speeches similar to the one we have just listened to.

Gag! The gag in Canada is an invention of the Tory party. The gag has as its father the right hon. leader of the opposition (Mr. Meighen). Gag! The gag has as it partisans and supporters in this House the gentlemen opposite who refused a few moments ago to allow an hon. member to put a question to one of their followers and fellow-members. We have no intention of imposing the gag, provided this House of Commons does its business in accordance with its traditional dignity and prestige. We have no intention of gagging anybody, provided the members on the other side of the House realize that we are the government, and that we shall remain the government as long as we have the confidence of the House. The hon. member for St. Lawrence-St. George (Mr. Cahan) in rising yesterday afternoon complained most bitterly that the hon. member for Nelson (Mr. Bird) had prevented him from moving another amendment to the already numerous amendments which have been brought before this House and defeated. I will remind the House that on one occasion the gag was imposed upon this House, and that was in the year 1913. In that year these gentlemen, who to-day rise in their seats one after another claiming liberty and

freedom of speech as representatives of the people, took away, under circumstances which I will briefly relate, the liberty and freedom of speech from the lips of the Right Hon. Sir Wilfrid Laurier, the most eminent statesman who was then sitting in our Canadian parliament. The circumstances were of such a nature that they depict, describe and show to the fullest extent the character and nature of the Tory when he is in power. The right hon. leader of the opposition was then, if I remember rightly, Solicitor General in the government, or a private member, I am not sure which.

Mr. MEIGHEN: A private member.

Mr. CANNON: A private member. Although he was then but a private member, the nimbleness of his mind under those circumstances immediately indicated that he should be promoted and become leader of the party, the collective mind of which was so similar to his own. They wanted to stop the debate in this House. They wanted to stop the Liberal party from challenging one of the greatest encroachments on our national economy ever attempted by any party in Canada, and the way they did it was by altering the rules of the House, by bringing in amendments to the existing rules—

Mr. MEIGHEN: May I—

Some hon. MEMBERS: Order, order.

Mr. CANNON: And the right hon. leader of the opposition, the father and author of the closure, prevented the Liberal party from even discussing those amendments to the rules, and that party to-day is pretending to represent the liberty of the people. The party who to-day pretend to represent the liberty and freedom of the Canadian people may talk in this House for many a day, they may talk for many an hour or many a week, but when speeches are delivered such as the one which has just been concluded, the people of Canada will answer by a huge outburst of laughter, because they know that there cannot be any sincerity in their attitude to-day. I said that the first contention of the hon. member for St. Lawrence-St.George was of such a nature that it should not be discussed seriously, and besides—I am coming now to the second point—if the hon. members on the other side were serious, if they wanted that motion of non-confidence to be debated and discussed, there was a well known procedure open to them. It was for any hon. member on the other side to rise and move that the floor be given, not to the hon. member for Nelson, but the hon. member for St. Lawrence-St.-George. Why was that motion not made? Why did the opposition not dare to challenge the hon. member for Nelson when he rose in his seat? The reason is very simple. A few minutes previously the House had given this government a majority of eleven—

Some hon. MEMBERS: Ten.

Mr. CANNON: —and the hon. gentlemen on the other side knew they were in a minority. The question now before the House, Mr. Speaker, is a very simple one: Shall the majority in this House rule, or are we going to be obstructed by a mere minority? We on this side, sitting as Liberals do not represent the majority of the House, but when our Progressive fellow members support this government we form a majority, we represent a majority of the Canadian people, and parliament owes it to its dignity and prestige that that majority shall rule in this House. I have spoken of the prestige and dignity of parliament. My hon. friend from St. Lawrence-St. George is a much older man than I am. I owe it to his age, to his experience, and to his seniority at the bar to speak of him with all due deference, but may I be allowed, Mr. Speaker, to ask every open-minded member in this House, be he Conservative, Liberal or Progressive, are the dignity and privileges of parliament maintained and upheld by such a performance as has been given by the hon. member for one of the Montreal constituencies? A gentleman who occupies at the bar a leading position, a gentleman who sat in the Nova Scotia legislature for many years, a gentleman backed by the Montreal Star and heralded as the future leader of the Conservative party, comes to this House, to give us the benefit of his experience as a legislator ostensibly to promote the public welfare and to contribute to the improvement of Canadian conditions. What has been his performance? His performance has been to hold up the business of this House for nearly two sittings. What to declare, what to lay before the minds of the members of this House? Nothing but articles which have been read by thousands of people already in the Montreal Star. I appreciate the very friendly, the very prompt and spontaneous help, may I say, given to his follower by the right hon. leader of the opposition (Mr. Meighen) whenever points of order were raised—

Mr. RYCKMAN: Rised.

Mr. CANNON: If my hon. friend wishes to interrupt me, will he do it in French?

Mr. RYCKMAN: Speak in French then.

Mr. CANNON: The leader of the opposition, I say, came very promptly to his follower's assistance when points of order were raised. Why? Because one of his rivals for the leadership of the party was committing before the House of Commons and the people of Canada the most certain act of hari-kari ever committed here. I do not wish to detain the House to speak of the hon. member any longer. My concluding remark so far as he is concerned is that if he wishes to transform the House of Commons and parliament into a clearing house for Lord Atholstan and his election debts, he is making a mistake. We will not stand for it. Let my hon. friend go back to the noble lord who sent him here and tell him that he may boss in the office of the Montreal Star, but he won't do it here. The free representatives of the people in parliament will not stand for it.

One more word. The hon. gentleman stated that we were suffering in Canada from industrial depression, that people were starving, that they could not afford a meal. Judging by the strength and vigour the hon. gentleman showed at his age, he certainly eats well; he must be an exception. Industrial depression, Mr. Speaker? Instead of preaching here in Ottawa that gospel of ruin, desolation and despair, let the hon. gentleman go through the province of Quebec, which he knows, and tell the people the real facts as they exist. Let him go to the region of lake St. John where over $200,000,000 is being expended for the erection of new industries. Let him go to the city of Montreal, which is spreading every day, whose population has doubled, and see the industrial development everywhere. Let him go to my own city of Quebec and see the new factories being built there, and then when he comes back to the House, notwithstanding the mandate he may have received from the Montreal Star, at least let him not talk about industrial depression. How can the hon. gentleman reconcile his assertions about industrial depression with the millions which were given to himself and his friends in our province to defeat the Liberal party in the last election? Where did that money come from, Mr. Speaker? Did it fall from the heavens? Where did those funds come from? They came from the same people, from the Atholstans and the McConnells and all those other selfish Montreal capitalists who think that they can run Canada from the boards of directors on which they sit. But they are mistaken; we will not stand for it. Every day, Mr. Speaker, I see the Montreal Gazette printing special despatches to its readers saying that this government should not be allowed to continue in office, that we are ruining this country, and yet that same paper in its financial pages prints news absolutely belying what is said in the political sections of that paper. People can be deceived once; they can be deceived twice, but let these capitalistic friends of hon. gentleman opposite know once and for all that the people cannot be fooled all the time.

The honour and prestige of this House, Mr. Speaker, urges us to vote as soon as possible on this motion. The honour and prestige of the House urges us to do so because, not only has the majority of the House decided that this government should remain in power, but the interests of the country, well understood, demand that we should proceed to business and legislate.

Some hon. MEMBERS: Go on then; go to it.

Mr. CANNON: I was surprised to hear a member of the bar like the hon. member for St. Lawrence-St. George bring forward the argument that we should go to it before the Address had been voted. I do not know in what houses he has sat. He has told us that he has been in Mexico. Maybe in Mexico public business is proceeded with before the Address is voted, but in British countries, where the constitutional precedents as we have them in England are followed, the Address is always voted first, and I challenge any member on the other side, no matter what his standing may be, low or high, to give me one precedent since we have had parliamentary institutions in this country where any bill, except the formal Oaths of Office bill, has ever been introduced before the Address was voted. Let us vote the Address, and then let us discuss on its merits the legislation of the government; and then it will be for the House to decide whether, standing on the merits of that legislation, the government shall be sustained or not. The west has needs; the east has needs; we have heard representatives from the Maritime provinces tell us that conditions in the Maritime provinces to-day are such as to demand immediate action in order to relieve the conditions, and yet, instead of allowing this government to bring down legislation to try and remedy the conditions complained of, hon. gentlemen sitting on the other side cheer speeches lasting for several hours and delivered for no other purpose but political obstruction.

I say that not only the honour and prestige of the House, and the interests of the country, but thirdly, the will of the people at large, demand that this government go ahead and that parliament legislate.

An hon. MEMBER: Why don't you do it?

Mr. CANNON: Vote the Address and we will do it.

Mr. RYCKMAN: Then you will take a holiday.

Mr. CANNON: I say that the will of the people at large as expressed is strongly in favour of this government going ahead. We hear hon. gentlemen opposite telling us of what happened on the 29th of October. Many other things have happened since. When the right hon. gentleman who leads the opposition came down into the province of Quebec, into the constituency of Bagot, clothed as the new champion of anti-imperialism, when laying aside twenty-five years of his political career and throwing to the winds the principles for which he had fought for many a year, when, speaking to the population of the province of Quebec in their own tongue, he asked them to return one of his supporters in order that he could form a government, what was the reply? The reply was of such a nature that in the parish where the right hon. gentleman made his longest speech our majority was increased by over 200. What conclusion is to be drawn? The conclusion to be drawn is that the people who voted against my right hon. friend in the province of Quebec in October last, and voted against him also in December last, do not want him. They want this government to remain in power. They want the leaders of the Liberal party, if they can secure a majority in the House, to continue to administer public business.

I will go further.. My right hon. friend will probably say that Bagot is an isolated instance, that too great importance should not be attached to the result there. What was the result in Prince Albert? In Prince Albert following the meanest, the smallest campaign ever waged against a public leader in Canada on every hustings in the nine provinces of the Dominion, and in every Tory paper published in our largest cities, after a campaign had been waged in which every effort was made to revile even the private character of our leader, after every effort had been strained, after every ounce of energy had been exhausted, and after every possible cent of electoral funds had been spent to crush him, Mackenzie King went to the people of the west and asked them whether they were for the mean methods of the Tory opposition or for the larger ideals of the Liberal party; whether the leader of our party, who had given the best of his ability and the best of his energy, to the welfare of his country, should be crushed by racial and by small appeals; and western Canada declared most emphatically that my right hon. friend opposite should remain where he is sitting now. May I say to hon. gentlemen opposite that with the support of hon. members of the Progressive party, with the support of labour, with the support of every independent member, who can judge legislation brought down on its merits and not through the glasses of political partisanship, we will carry on, and we will give to this country a good government. Notwithstanding the appetite shown by the right hon. leader of the opposition for the privileges and emoluments of office, notwithstanding the eagerness of the new members who used to be in a former parliament and of former ministers in the Tory government, notwithstanding the zeal shown by those who wish to be leaders of the Tory party—notwithstanding all the grand eloquence of these gentlemen—I say that we shall rule by the will of the people. And the will of the people will prevail against the Tory party as it always has done. History has recorded that fact and will record it again.

Sir HENRY DRAYTON (West York): Mr. Speaker, the House has just had a treat.

Some hon. MEMBERS: Hear, hear.

Sir HENRY DRAYTON: I am glad my hon. friends opposite agree with me. We used to have many of these treats, when the wild, uncurbed exuberant eloquence of my hon. friend held sway—I refer to the days when the hon. gentleman was in opposition. In those days there was nothing to control the wildest manifestations of the hon. gentleman's exuberant fancy. My hon. friend is now getting back again into the realms of fancy. But he is not discussing practical questions. He is making an appeal—a very good appeal—he is making the only kind of appeal that can ever carry his party—an appeal to passion, but an appeal devoid of argument. The hon. gentleman is the best man in the world to do that. He has done well in that direction.

Mr. FONTAINE: Very well.

Some hon. MEMBERS: Hear, hear.

Sir HENRY DRAYTON: I am always delighted when my hon. friends opposite agree with me. It would be better, however, if

they agreed oftener. That they do not do so is one of their greatest shortcomings, but they are agreeing now. My hon. friend did very well with the material at hand. The pity is that he did not have some real material. The hon. member for Hull (Mr. Fontaine) gives me a beautiful laugh just on that point. I should like him to repeat that laugh before I continue. Perhaps the hon. gentleman has exhausted his resources; if so it is really too bad.

5 p.m.

The hon. Solicitor General for one moment was rash enough to get down to something concrete, and he had the boldness to challenge anyone to give him authority for the proposition that this House could do business. He even chided the hon. member for St. Lawrence-St. George (Mr. Cahan) for his refernces to this point, and told him that as a lawyer he should have known better. Mr. Speaker, I am not going to trouble very much with my hon. friend's speech, but I am just going to show where the hon. gentleman can be checked. I will give an illustration of how very easy it is to check him. I am going to give the hon. gentleman the precedent that he asked for. I find it in May's Parliamentary Practice, twelfth edition, at page 163. The citation I wish to make reads as follows:

> In both Lords and Commons, since the commencement of session 1890-91, the answer to the royal Speech has been moved in the form of a single resolution, expressing their thanks to the sovereign for the most gracious Speech addressed to both houses of parliament, and amendments to the Address are moved by way of addition thereto. The transaction of public business—

And this is the point my hon. friend challenged and said was ridiculous to raise—

> —is carried on whilst the proceedings on the Address are in progress. Bills are introduced, committees are appointed, and, in session 1884, debate on the Address was postponed from day to day, whilst a motion of censure on the government, regarding events in the Soudan, was under consideration.

The real truth, Mr. Speaker, is that my hon. friend—I am not blaming him, I am commiserating with him—is mistaken in this as he has been in so many other cases. The law is not what he stated it to be; the law is as stated in May, and there can be no question about it at all.

Mr. CANNON: I never contended otherwise. There is a distinction. My hon. friend will draw the distinction between strict law and practice. I am talking about practice.

Sir HENRY DRAYTON: I would like to point out to my hon. friend, in the first place, the extreme readiness with which I give him the floor in contradistinction to the manner in which he treated my right hon. leader a moment ago. In the second instance, the whole of May deals with parliamentary practice. It is not law; it is practice. My hon. friend will find no statute anywhere creating this law. It is simply the rule which has been worked up as a result of very long periods of parliamentary procedure and practice.

There is another thing in regard to which my hon. friend is wrong. He speaks about the closure rule and he dramatically tells the House how that was rushed through. My hon. friend and I both suffer under the same disability that neither of us was in the House at that time; but if my hon. friend takes the trouble to turn up Hansard, he will find that days and days of debate were given to the subject and that it was only after a very long discussion and then with a large majority that closure was adopted. I do not object at all to closure; it is a proper vehicle for the carrying on of public business. What I object to is an indirect, improper and cowardly application of the practice. Closure itself is necessary. Just so soon as a government comes honestly and properly to the conclusion that public business is being held up, it is its duty to apply closure if it has any faith whatever in its own conclusions. What have we to-day? This motion of the previous question is closure and it is not closure. It is closure of thought, closure of action, closure so that this House can do nothing useful by way of amendment. But it is an invitation to the House to debate this question just so long as it pleases, with the right to everybody to speak again, not confined by the terms of an amendment, but at inordinate length.

A motion of the kind which is before us to-day was never intended for the purpose of getting action out of this parliament. The only thing it can do is to prevent amendments being made which not only might have been but would have been very inconvenient for some hon. members. It is idle for anyone to pretend that we gain time by a motion of this kind. Everybody who has any knowledge whatever of parliamentary procedure knows that is not true. I do not know how the hon. gentleman was led into moving the motion, because everybody seems to deny the ownership of this new form of strategy. Why, the leader of the House (Mr. Lapointe) is absolutely ashamed of it, and he gives the most indignant denial to the statement that he had anything whatever to do with it. While we have not the whole of the governmental party yet giving their denial, we have an indignant denial from the hon. gentleman himself that he got

any idea of it at all from the government. He does not, however, tell us from whom he got the idea, and we have no knowledge whether there was some other conduit pipe across the aisle than a member of the government itself, or whether this thought, so barren of any result except to prevent anything useful being done in this discussion, was the bright idea, without the slightest suggestion from anybody, of the hon. gentleman himself. If that be so, I sincerely hope that the next time an original idea strikes him he will do a little bit of thinking before he puts it into action.

I have dealt with the question of business. It is this government that are killing business in this country. They say: Pass this Address and let us get down to business. If there be any fairness, yes, if there be any real honesty in that statement, it will be accompanied by a motion to discharge the motion to adjourn. It is idle nonsense to say that we get on with the public business by adjourning, and it is also idle to say that this debate is costing a great deal of money. What does the adjournment do? After all, members of parliament are supposed to earn their indemnities. I wonder how many newspapers that have been ascribing the whole of the cost of parliament to this debate ever stop to think, as they well know when they do think, that for every day of a six weeks' adjournment members of parliament will get just as much money as they will if they stay here and look after the business of the country. I wonder if hon. members realize that. We have to put in a certain number of days. During that adjournment those of us who do not live in Ottawa—and that does not apply to me—are away from home; they have out of pocket costs and disbursements, and one reason why we should not adjourn is that in staying here to carry on the public business, hon. members will still receive their full indemnity but not save the expenditures which would be obviated in the case of an adjournment. The cost of parliament goes on in any case, but because attention is being focused upon the manoeuvres that are going on in the House, it is stated that this debate is costing the large sums that have been mentioned. There never was, and, I trust there never will be again in the history of Canada, a debate under conditions such as those which now prevail—a long adjournment ahead; but it means that we are debating practically without additional cost to this country. We have the regular machinery going; the employees are all here. I understand there is a proposal that in the case of an adjournment certain of those employees are to have a cut aggregating $300 a day made in their wages. If that be so, instead of working here without additional or further cost we are working at one-third the usual cost, because services of the kind I indicate run to about $900 a day while the House is in session.

I will refer to just one other thing in connection with the speech of the Solicitor General (Mr. Cannon) and I am sorry he has gone out because I would hesitate to do him any injustice. He spoke a great deal about the elections in Bagot and Prince Albert. I do not know why he is so very confident about the present situation when he looks at Bagot, because the fact is that the majority in Bagot was cut in two. Then he works himself up to a superlative degree of enthusiasm when he pictures the Right Hon. Mr. King as vanquishing the Meighen ideas out in Prince Albert. It is a first-rate, wonderful achievement to lick an opponent when you have the field all to yourself. This splendid victory that is so lauded—this return of the vanquished Prime Minister, who had been defeated where he was known, where he had been sitting, yes, where he was within striking distance—was achieved by his having the field all to himself—no Conservative candidate to oppose him.

Some hon. MEMBERS: Oh, oh.

Sir HENRY DRAYTON: Hon. gentlemen laugh, but I would ask them whether the Progressive was a Liberal candidate in Grenville in 1922. These vacant laughs ought to stop unless hon. gentlemen are prepared to make that admission. They know that there was no Conservative candidate in that by-election in Prince Albert. The right hon. gentleman had the field to himself and the hon. member now rises to heights of enthusiasm over what he considers the defeat of Meighen principles. Mr. Speaker, it really is to laugh. If the hon. gentleman had desired to come somewhat nearer the truth he would have said that the Hudson Bay railway had delivered its greatest and most important load of eastern bound freight, and that is the only freight it will ever deliver out of the prairie provinces. It worked; and as is usual in such cases the country pays. If my hon. friends can derive any great political comfort from the situation I leave them to it.

So much for my hon. friend's speech, and so much for the present situation in this House. I have no intention of entering into a general political debate, although the door has been left wide open to me through the kindly offices of the hon. member for Nelson (Mr. Bird). I shall simply deal with one concrete matter which would have been considered in relation

to the want of confidence motion, one of those matters which give reason and understanding to the present motion made for the purpose of preventing their proper consideration in the proper place. But before going into the details of the incident I am going to make one or two general submissions which perhaps may not be quite out of place even as applied to this government. Has the country the right to expect from the government frankness in the statements which it makes? Has the country the right to rely upon the word of the government? Or is that word a light and fragile thing, the scattered pieces of which, when it is broken, can be put together again by some of that mysterious cement which is to be provided at the expense of the ratepayers of Canada, the cement that binds together various groups in this House? Again, has the country still the right to expect that affairs shall be so conducted that it will be enabled to put credence in the government? And if it is impossible for the people to place any credence in the government, is not that fact sufficient fully to justify even party supporters of the government in voting a lack of confidence in it? Is the government supposed to hold public credit and public cash inviolate except upon the order of this House, or is that, too, something that is to be lightly regarded?

I propose discussing for a few minutes the methods which this government have adopted in the building of railways when they want to build them—railways which they do not want the Senate to defeat, railways which they want to build without this House knowing anything about them. These things of course are done very much under cover. During the last campaign one of the strongest points taken in western territory by the present member elect for Prince Albert was his attack upon the Senate, and one of the chief reasons for that attack, a reason that appealed particularly to western ears, was the assertion that railways which were essential to the proper development of the west had been thrown out by the upper house. The right hon. gentleman did not take the farmers of the west into his confidence and tell them how, when he was considering the requirements of other and more favoured individuals, he could ingeniously arrange matters when it paid him to do so. He did not tell them that. I refer to governmental methods in connection with the building of the Rouyn railway. Now I want to make it absolutely clear that what I am objecting to in this connection is the method which was adopted. The district itself, I believe, is a splendid one. I do not think that the mineral wealth of the country is confined to northern Ontario; the belt will be found to run right through into Quebec. I have no doubt about it, and development in that country will and ought to achieve a success equal to the success that has been attained in other parts of Ontario. I am not arguing that simply because this country's credit has been strained, simply because many people to-day are of the opinion that our railway deficits are heavier than we have a right to expect them to be, we should therefore put a stop to further extensions. Nor am I suggesting that we should have done nothing in the matter inasmuch as the province of Ontario was willing to save us the cost. Not at all. This issue is not one that can be veiled by provincial interest or prejudice or anything else, and it has nothing to do with the question whether or not the particular country is one through which a railway ought to be built. Unless you want to increase further the deficits on the National Railways, why must traffic be carried forty-five miles up north, to be taken again forty-five miles south, with the inverse extra mileage on the return movement? I do not want to go into that. I want to make it perfectly clear that none of these questions need be given the slightest attention, having regard to the matters I purpose urging. What I do intend to go into is the method by which this government deceives and flouts parliament and the people —the method by which it did do so in this particular question. Then I am going to ask the House whether they like that sort of thing, whether the cement is sufficiently strong to reunite over the chasm wrought by such practice as hon. gentlemen opposite engage in in relation to those whose co-operation they have received up to the present.

Now, Mr. Speaker, naturally, for the reasons which I have already pointed out, the people did not know anything about how this matter was proceeding during the election. It would have been very, very inconvenient for my right hon. friend the member elect for Prince Albert, and would have spoilt many of his eloquent speeches against the Senate, but the election being over the matter now is in such a position that it can be safely ventilated. In the first instance, let me point this out. Hon. gentlemen who may be interested in following up this transaction will find at page 1290 of the revised Hansard for 1925 this statement by the hon. Minister of Railways (Mr. Graham):

The Canadian National Railway Company, believing it to be desirable to have a line from their main line into the very rich territory spoken of in the question,

have suggested to capitalists that if they would build a branch line between two points to be named by the Canadian National, one of them being Rouyn, the company would be prepared to lease that line.

That is the information then given to the House. Public money was not to be taken, public credit was not to be used; capitalists were to build the line and the National Railway would rent it. Perhaps hon. gentlemen will be surprised—perhaps they will not, perhaps they will merely think the government is running true to form—to learn that the government itself is building that line through the agency of the Canadian National Railways under the guise of a dummy company incorporated by a charter granted by the government of Quebec. But such is the fact. We have the direct statement that the line will be built by capitalists, while the truth is that the only capitalists are the long-suffering taxpayers of this country.

The elections being over, I came back to Ottawa and in the ordinary way, to see if I could not get a copy of the Rouyn order in council and ascertain what had been going on, I telephoned the Clerk of the Privy Council, Mr. Lemaire. Not getting the order as a result of that telephonic request, on November 6, 1925, I wrote to Mr. Lemaire as follows:

With reference to our telephonic conversation as to orders in council in connection with the Rouyn railway, have you been able to get instructions for the release of these orders in council?

It would occur to me that with the elections over the secrecy of the past, even on the lowest political grounds, need be no longer observed and the mystery surrounding this matter which is, after all, a public undertaking and one wherein the members of the cabinet are risking not their own but public monies, ought to be dissipated.

I was in hopes that you would be able to give me a definite answer to my telephonic request before now. May I have either the orders in council or information as to when they will be obtainable.

As a result of that letter Mr. Lemaire wrote to me, under date of November 13, 1925, as follows:

In answer to your communication of the 6th inst., I am directed to forward to you herewith a certified copy of P.C. 1758 of September 26, 1925, concerning the Rouyn railway.

The exhibits were not forwarded, but I got them on the 19th. These exhibits, Mr. Speaker, disclosed a state of affairs such as I have indicated. But in order that hon. members may follow this case chronologically, allow me now to refer to the statute of the province of Quebec incorporating the dummy company through which this government is operating. The act of incorporation will be found in the Statutes of Quebec for 1925, chapter 110. The incorporators and provisional directors of the Rouyn Mines Railway Company are:

Albert Henry Millward, clerk; Harold Frederick MacPherson, clerk; Elmer Royce Moore, clerk; Howard James Spence, clerk; and John Thredgold, clerk.

I pause to point out to the House that all those gentlemen, so far as I have been able to learn, and I think my information is correct, are employees of the Canadian National Railways—stenographers in the office. The outside capitalists are conspicuous by their absence; they have nothing whatever to say in this matter. They simply get the profits owing to railway construction; they do not put up any of the money for constructing it.

The line to be constructed runs down from O'Brien on the National Transcontinental railway through certain townships to a point in the township of Rouyn, some 45 miles. Hon. gentlemen will find it fully described in section 7 of the act.

The company having been incorporated, matters stand until it was suggested—I do not know by whom, but from some unknown source, through some underground current from the cabinet—that there should be a meeting of these five stenographers, and we are duly informed that:

The meeting was informed that arrangements can, it is expected, be made for the lease to His Majesty the king, in the right of the Dominion of Canada, herein called the government, of the line of railway intended to be constructed by the company from a point on the National Transcontinental Railway near O'Brien in the province of Quebec, thence southerly to a point in the township of Rouyn, a distance of about forty-five miles, together with certain works and facilities in connection therewith; the rental to be paid by the government to include an amount equal, in the aggregate, to the interest on certain bonds to be issued by the company and the sinking fund payments to be made under the trust deed or mortgage securing said bonds.

A printed draft of lease between the company and the government was submitted to the meeting and considered, and it was unanimously resolved that a lease of the said line may be made to the government in the general form of the said draft, subject to such changes therein as may be approved or authorized by order in council and agreed to by the president and secretary of the company.

All this certified to be a true extract by Mr. W. H. Nicholas.

Whom the Montreal directory again shows to be another employee of the Canadian National Railways.

Just at that point let me say, so that hon. members who take any interest in seeing the public business of this country properly and honestly run may understand the situation, that the reason for this shift, or for this lease, is very simple. The government did not get from this House the authority to guarantee the bonds of the Rouyn Rail-

way Company—not at all—or to construct the line. They thought they could work it in this way—and I think they are wrong, even legally; morally they are wholly wrong. This piece of twisting, tricky conduct, I say, is absolutely wrong, and it would be a lawyer of the most tricky type who would ever adopt it. I do not believe it is going to work. But this is how it was thought the difficulty could be got around. They say to themselves, "We cannot guarantee their bonds; we cannot put our hand directly into the public treasury and take the money out, but let us see what we can do. We will lease this precious railway for such a sum of money as will pay all the interest on the bonds, will pay as well all the taxes on the property, all the sinking fund charges in respect of the bonds, and all the expenses of the company, including even the trustees. Oh yes, we will do all that, and we will go a little bit further; we will say that in connection with all this grant and guarantee no taxes are to be exacted. The hand of the Minister of Finance is to be stayed; there are to be no Canadian taxes on this." Well, there is the first step taken to lead to this result.

The next exhibit is the lease. It is long and I hesitate to take the time to read it, but I really think hon. gentlemen should see this precious document in its entirety. Oh, the beautiful way in which the farce is kept up! Covenants here and covenants there; everything done as if they were at arm's length! The first recital is as to incorporation. The second recital reads:

Whereas the lessor by virtue of such powers is about to construct a line of railway from a point on the National Transcontinental Railway near O Brien in the township of Privat, in the province of Quebec, thence southerly through the townships of Privat, Aiguebelle, Destor, Clericy and Dufresnoy to a point in the township of Rouyn, a distance of approximately forty-five miles, such line of railway and all the works, facilities and appurtenances hereinafter demised being herein called the said line of railway.

And whereas the Minister of Railways and Canals (hereinafter called the minister) is of the opinion that the said line of railway is a line of railway which can more conveniently and usefully be operated as a part of the Government Railways System and one which may be deemed necessary or desirable for the more efficient operation of the said system, and the lessor has agreed to give and the Governor General in Council has authorized the minister to accept a lease of the said line of railway upon the terms and conditions hereinafter specified.

Bonds. Issue of bonds.

And whereas the lessor pursuant to section 8 of the act incorporating the lessor proposes to create an issue of not exceeding $5,000,000 of thirty year four and a half per cent first mortgage bonds (hereinafter called the said bonds) of which it is expected that approximately $3,500,000 will be required to provide for the cost of construction of the said line of railway; the said issue of bonds to be secured upon the said line of railway and other properties of the company as hereinafter referred to

They have done everything necessary to enable them to sign the lease; and then they go on with the lease. And the country is:

To have and to hold the demised premises unto the lessee for the term of thirty years from the date on which the said line is opened for traffic.

And this is what we are to pay. I read now from the covenant on page 3 of the printed lease:

During the first and every subsequent year of the said term such sum as shall be sufficient (in accordance with the terms and provisions of the deed of trust or mortgage securing the said bonds) to pay the interest and sinking funds upon the said bonds for the time being issued and outstanding, and all other moneys lawfully payable under such deed of trust or mortgage, including accrued interest on bonds purchased or drawn for redemption under sinking fund provisions thereof. The whole of such rental—

I am sure this will fall upon the ears of my hon. friend from Brandon (Mr. Forke) like drops of water on parched land.

—The whole of such rental shall be paid free of all lawful Canadian taxes or deductions of whatsoever nature, and shall at the option of the lessor be payable in the city of New York in gold coin of the United States of America of the standard of weight and fineness existing October 1, 1925, or in the city of Montreal, Canada, in lawful money of the Dominion of Canada, by equal half-yearly payments paid ten days prior to the respective dates for payment of interest and sinking fund moneys under such deed of trust or mortgage. It is hereby declared and agreed that the lessor intends to assign and may and will assign to the trustee or trustees under the deed of trust or mortgage securing the said bonds, the rental payments to be made for and in connection with said interest and sinking fund payments as in this paragraph (a) provided for; and the lessor hereby requests and authorizes the lessee to make such payments direct to the said trustee or trustees, to be received, held and used by said trustee or trustees as and for payment of interest and sinking fund moneys under said deed of trust or mortgage; and the lessee hereby covenants to make such rental payments to said trustee or trustees accordingly.

Just pausing there, what else could be found, I wonder, to pay them? Everything is to be looked after. The road is to be built out of $5,000,000 worth of bonds, $3,500,000 of which is to be put up now, then this rent is to be paid; and then, so as to avoid the slightest difficulty in the circuit, for the purpose of paying the rent the dummy is forgotten altogether. Instead of paying the rent to the dummy, the rent, which is the interest and the sinking fund, is paid direct to the trustee. Hon. gentlemen I think will understand that pretty well. What was there in this for the dummy? What outside interest is there? What outside expense is there? What is there in the whole of this except a screen, and a dirty screen at that, under which alone this kind of action could be taken?

Then the second covenant (b) provides, and this is, of course, the covenant of the country:

Such sums as may from time to time be paid or payable by the lessor by way of interest or discount on loans or advances made to the lessor by any bank or other corporation provided that interest on construction items may be charged to construction costs and that bonds forming part of the said issue may be issued in respect thereof.

Mr. Speaker, do we get the force of that statement? The force of that statement is simply this; that into our rent goes the repayment of any moneys borrowed from any bank outside of these bonds altogether, and goes further to the extent that for interest, repayment of bank loans or anything else, bonds may be issued, bonds which we will have to pay—of course, under the guise and pretence of rent.

Then covenant (c) provides:

Such further annual sum or rent as shall be equal to the actual annual expenses for administering the affairs and maintaining the organization of the lessor—

That, remember, is the Rouyn railway:

—limited, however, to an amount not exceeding one thousand dollars per annum.

I do not know what they would do with that one thousand dollars. It might be for street-car fares, as has been suggested to me, for going up and down to the office, but when they have not to collect rent or do anything else, I do not see why that should not be one cent instead of one thousand dollars. It continues:

also any remuneration for time being payable by the lessor to the trustees of the said bonds.

I wonder, Mr. Speaker, if any hon. gentleman could think of anything else the country could be made liable for? But I think we shall find a little more later on:

also any remuneration for the time being payable by the lessor to the trustees of the said bonds, the sums payable under this paragraph (c) to be paid without deduction on the same dates and times, and with the same option in the lessor as to the place and mode of payment, as the rent reserved by paragraph (a).

The railway company then turns around and covenants, in the first instance:

That it will use its best endeavours to complete the said line of railway now about to be constructed and to deliver the same to the lessee, ready for operation, not later than the first day of January, 1927.

That, of course, would be the usual kind of covenant put in if the people were dealing at arm's length. If the lease was anything else but the sham that it is, that covenant would be put in and it would stop there; but the lease being the sham that it is, being done merely for the purpose of justifying and making legal an otherwise illegal endorsation of bonds, the covenant does not stop there. Oh no, it never would do to stop there. Why, the banker would say: This railway might fall down; you might not want to go on with it; you might just trip up your dummy, and in that case the rent would not be payable, and then where am I with my bonds? So this clause is added to what otherwise would be the usual covenant:

But the non-compliance by the lessor with this obligation shall not in any way prejudice or affect this lease or the obligations of the lessee hereunder with respect to payment of the rents and other yearly sums herein reserved.

But somewhere in this government, Mr. Speaker, there was just a little bit of fairness. Somebody somewhere saw that this thing was perfectly ludicrous, absolutely impossible. I do not know when it was done, where it was done, whether in council or not, as I assume it would be done; but whether it was done in council or not, one minister had at least a little bit of regard for his duty and obligation to the country, because whether that clause was struck out in council or not, it was struck out. But did the striking out stand? Oh no, Mr. Speaker, the striking out did not stand. On the other hand, instead of it standing, according to the document furnished me from the Privy Council those saving words which were struck out:

But the non-compliance by the lessor with this obligation shall not in any way prejudice or affect this lease or the obligations of the lessee hereunder with respect to payment of the rents and other yearly sums herein reserved.

—that clause, which had been struck out, was reinstated. There it is—stet. Reinstated, why? For the sole and only reason that, never mind what else is done, the position of the banker, the position of those taking these bonds, is to be made absolute; the guarantee must be absolute, the rent must be paid, and the idle pretence of treating this as a business document might just as well be immediately abandoned by everybody. Covenant, yes. Of course, this paper dummy covenants, but then it does not matter—do as you please—this country stands bound and liable for every single cent of obligation under those bonds.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Sir HENRY DRAYTON: Mr. Speaker, when the House rose at six o'clock I had been paying attention to this Rouyn railway

situation, and had demonstrated one or two things. These I imagine I should draw to the attention of hon. gentlemen who may not have been here at the time the House rose.

The first thing that was demonstrated—and I am not making any statement of my own; I am speaking of what is shown by government records, the records of this House, the records of the Privy Council—was that this railway line was to have been built by private capital. From the information given to the House in regard to the matter there was no intimation that anything would have to be done at the expense of public credit or public funds; the financing was to be done by private individuals who were to build the line. I then showed, Mr. Speaker, again from the records, that a paper company, a dummy company, was formed for the purpose of doing that which the government had led us to understand they themselves were not doing. Following up the formation of that paper company, we were able to get, after some considerable difficulty, the order in council dealing with this question and the exhibits therein referred to. In the first exhibit, which I was discussing when the House rose, it was shown that this government—which had absolutely no statutory authority from the House to do so—guaranteed the bonds of this railway company; who were to build the line, under the guise, form and pretence of a lease, which while existing in fact is but a form; and they guaranteed those bonds just as effectively as if full statutory authority had been given to them and the House had not been deceived. The government guaranteed those bonds by undertaking to lease the railway, which was to be built at such a sum per annum as would completely cover the whole of the interest and the whole sinking funds payable under the bond issue. They agreed to pay all that free of Canadian taxes, and in addition to pay the organization expenses of this dummy company as well as other incidental expenses, such as loans from banks and the like. I had got down, Mr. Speaker, to that part of this precious lease which dealt with those features. I had also discussed the covenant, which was supposed to amount to something and was then made nugatory, so that there is no doubt as to one thing, and that is the absolute liability of the country in connection with this sorry venture.

The lease in question is long. I do not know that I should burden the House by reading it all, but the form is kept up pretty well throughout. We have everything here, as I said before, to make it appear that this is a business deal instead of a pretence and a shadowy screen, a discoloured screen, under the cover of which the things I have mentioned, which are wholly and totally illegal, can be done. Now I am going to refer to a few more of these covenants. We have the usual covenant for payments, and I have already given the House the basis on which rent was to be paid. Just to show how clear it is that these bondholders are to be looked after and that this guarantee is actually given, let me read a few more extracts. Paragraph 10 of the lease on page 7 states:

> That the lessee—

That is the crown.

> —will during the continuance of this indenture, or so long as the lessee shall remain in possession or control of the demised premises under this indenture, pay to the lessor; or whoever shall be lawfully entitled to receive the same.

It has already been shown that the only person entitled to receive the same is the trustee of the bondholders. The lessor is not even a conduit pipe now. The money goes directly to the trustee for the bondholders. The paragraph continues:

> (a) The yearly rents or sums hereinbefore reserved or made payable at the times and in the manner at and in which the same are respectively hereinbefore reserved and made payable, free of all taxes and without deductions of any description.

Again it states:

> (b) All lawful taxes, assessments and outgoings whatsoever to the extent only that the lessor is liable therefor that may after the lessee receives possession of the demised premises be payable in respect thereof or be lawfully levied or become chargeable thereon, or on any part thereof, or upon the lessor in pursuance of any lawful authority.

Hon. gentlemen will see that every possible door of expense is covered. The government is responsible for everything, the dummy company responsible for nothing. It goes on:

> ...and will assume and pay every payment which during the continuance of this indenture may be required to be made by the lessor and not herein otherwise specifically provided for.

In case anything is left out, we have this omnibus clause. One would have thought that everything that could be thought of was provided for; but to make assurance doubly sure, as the back of the Canadian taxpayer is broad and strong, everything else is piled on in case something may be overlooked. Paragraph 11 states that the lessee will assume all the obligations of the lessor—and indemnify and save harmless the lessor against all actions, suits or other proceedings

and against all damage and loss which may arise to the lessor. Then we find in section 13, under deeds and mortgages:

Whereas, under certain conditions—

In case that was not strong enough, paragraph 18 states:

That the lessee will at all times during the said term assume and pay, discharge and perform, all debts, obligations, and liabilities whatsoever, whensoever and howsoever, arising of the lessor in respect of the line of railway (other than and except the current expenses incurred for administering the affairs and maintaining the organization of the lessor for meeting which certain rentals are hereinbefore reserved—

We have already had $1,000 reserved for that purpose.

—and except also the liabilities of the lessor in respect of the said bonds issued or to be issued by it, or other borrowed moneys.

We have that already covered to every single cent that can be charged for it. It all gets back to the same intent:

To the intent that the rent mentioned in paragraph (a) of the clause next preceding clause 1 hereof may at all times during the said terms be available free from all deductions and claims whatsoever, for meeting the annual charge for interest and sinking funds in respect of the said bonds issued by the lessor pursuant to the provisions of this lease.

One would think that provided for these bonds pretty well, but the ingenuity of whoever was looking after this was not quite exhausted. We have this provision on page 12:

Provided also that if any part of the rent payable under the provisions of paragraph (a) or the granting clause on page 3 hereof be not paid on the due payment date and shall not be paid within ninety days from such date, the lessee shall and will immediately pay to the trustee or trustees for the time being under the deed of trust or mortgage securing the said bonds, in trust to distribute the same ratably among the holders thereof, in full settlement of all past, present and future claims for rent due or to become due under said paragraph (a) a sum equal to the aggregate of

(1) The principal amount of all the bonds issued and outstanding under said deed of trust or mortgage on the date on which the instalment of interest or sinking fund constituting said rent became payable, plus

(2) The face amount of all unpaid coupons on said issued and outstanding bonds maturing on or before the date on which the instalment of interest or sinking fund constituting said rent became payable, plus

(3) Interest on both of said amounts, at the rate of 5 per cent per annum, from the date on which the instalment of interest or sinking fund constituting said rent became payable to the date of payment of said amounts to the said trustee or trustees, and also shall and will pay to the said trustee or trustees all other sums payable or to become payable to it or them under said deed of trust or mortgage by way of its or their remuneration and expenses in the discharge of the trust created thereby.

Hon. gentlemen will see that every possible thing is done to make this guarantee of bonds absolute, not only as to interest, but as to principal. If we make a default of ninety days under the terms of this lease, we immediately guarantee to pay the whole of the principal of those bonds and, in addition, not only the interest coupons themselves, but five per cent interest after certain delays. This country, under this so-called lease, becomes liable for the guarantee of all these millions of bonds just as fully and completely as if this House had not been flouted and a proper application made to it for authority to look after the matter in a legal way. Of course it is really no lease at all; the whole thing is a sham, a pretence. The whole idea is something to get around the law, something to enable this government to set at naught the ordinary provisions which protect the taxpayers of this country. When the government saw no other way of doing this, they framed this precious document. So much for the guarantee of the bonds, termed a lease.

Other interesting exhibits have been brought down with the order in council. I have already given the story of the Rouyn Railway Company and the lease. The next one is the agreement between the Noranda Mines, Limited and the King, the guarantee agreement re Rouyn Mines Railway Company. There is in this document a guarantee by the Noranda Mines Limited; but in order to set at rest any possible misgivings and fears on the part of the shareholders of the Noranda Mines, Limited, that their directors have done something foolish and have given something that amounts to anything, let me assure them at once that all those fears are entirely groundless. The business significance of this agreement is no more real than that of the lease! This agreement is not so long as the lease but still it is too lengthy to read in full. The recital begins:

Whereas His Majesty has arranged for the construction by a railway company hereinafter called the railway company—

I pause here. Here we have an admission by this government of everything that I charge; they admit it under the seal of the country. There is no Rouyn Railway Company, but there is a government that wanted to build a railway which they had no right to build; and they chose this method. It is all done, on their own admission, through their agency; it is their arrangement.

Whereas His Majesty has arranged for the construction by a railway company, hereinafter called the "railway company", of a line of railway, hereinafter called "the said line of railway", from a point on the National Transcontinental railway at or near O'Brien to a point in the township of Rouyn connecting with the plant of the guarantor to be there erected, which said line of railway His Majesty proposes to lease, which

lease is hereinafter called "the said lease", and to cause it to be operated as a part of the Canadian National Railways;

And whereas it is anticipated that during the first few years after the said line of railway has been completed and opened for traffic deficits will arise in connection with the operation thereof;

And whereas the province of Quebec is willing to guarantee the payment against such deficits, if any, of $50,000 a year for five years from the date the said line of railway is opened for traffic, hereinafter called the "initial date,'" but a further guarantee is required of $20,000 a year for the same period from the guarantor who is interested in mining locations to be reached by the said line of railway.

After the delays to which I was subjected and of which I fully informed the House this afternoon, if I have now got everything that has to do with this precious excursion of the government into this field of operations, the facts would seem to show that they were in an indecent haste to push this railway on for purposes known only to themselves but very strongly suspected to have some political significance in relation to the last election. This very document shows that the Quebec government is to guarantee deficits to the extent of $50,000 per annum, and the government's haste was such that the order in council was passed and the work rushed on apparently without a single thing being done by the government of that province. I do not know whether that is true or not, but what I am stating is that I have here all the papers I could get and there is not one line here to indicate that the necessary legislative authority had been obtained by the Quebec government or that this government had received their bond. I call the attention of the House to striking evidence which we have before us of the fact that it is the government that is doing all this in the guise of a phantom company. I invite your attention, Mr. Speaker, to the first covenant:

His Majesty agrees—

Oh, what crimes are committed in the name of the King! What a pity it is that our constitutional forms require His Majesty's name to be attached to documents of this kind. However, His Majesty the King is made to agree:

(1) To cause the railway company to construct and complete the said line of railway with all reasonable expedition and to lease it from the railway company by lease approximately in the form attached.

Could clearer proof be obtained of what I now charge? This construction is the work of this government: is it possible to get anything clearer in proof of that fact than we have here? Is it possible to make it more clear that this work is the work of this government, executed under subterfuge and carried on under such a condition as to amount absolutely to a misleading, a misguiding and a flouting of the privileges and the jurisdiction of parliament? Could the evidence be more conclusive? The government agrees to cause the railway company to construct and complete the line of railway "with all reasonable expedition". There is an old legal maxim which probably hon. gentlemen have forgotten:

Qui facit per alium facit per se.

And many a criminal has done time under that same doctrine—Who does it through another does it himself. Everyone knows that, and here is this government building this railway through a phantom company. The next clause reads:

(2) To cause the operation of the said line of railway when leased to be entrusted to the Canadian National Railway Company for operation under the terms of section 11 of chapter 13 of the Statutes of Canada 1919.

(3) To cause accounts to be kept of all freight traffic moving over the said line of railway and/or freight traffic originating upon or destined to points upon the said line of railway moving from, through or to points upon the Canadian National Railways in Canada, all such traffic being hereinafter called "such traffic."

(4) To allocate 30 per cent of the gross earnings received by the Canadian National Railways from such traffic, hereinafter called "the said operating net earnings," to the said line of railway as earnings attributable to said line of railway for the purposes of this agreement.

I said that the shareholders need not be unduly alarmed. I wonder if the House appreciates for one moment what is being done here. Here we have a line of railway 45 miles long to connect with the main line. It is very much the short haul, and its rates and expenses will be of course in proportion to that short haul. Now railway ratios are stubborn things, although very simple, and sometimes we fail to realize their full import. We have to remember that the operating ratio of a railway applies to the dollar: it costs so much to earn the dollar. Supposing we take the earnings at a dollar and expenses at 90 cents, there of course we have an operating ratio of 90; that means we have a profit of 10 cents out of each dollar. Supposing we take from that dollar 30 cents—as is proposed under this so-called guarantee—the dollar would become 70 cents, the expenses would be just the same, 90 cents; but the operating ratio, instead of showing a profit of 10 cents for each dollar's worth of business, would become 128.75, making a loss for each dollar's worth of business done of 28.75 cents. I think everybody knows that the Transcontinental is not a paying proposition for this country. But the effect of this agreement is that before the company can

be called upon to pay five cents towards the deficit, that 30 cents is to be taken away, not from the net—that would not apply, of course, in the case I have been giving—but from the gross earnings, insufficient as they are now to support the property. I wonder why they did not make it fifty per cent at once. Well, I think with the thirty they are probably just as safe as if they had made it fifty, because it seems to me there would have to be an awful lot of bad management, improper expenses of construction and the like, before even this line could be in such a bad position that after getting thirty per cent of all the long-haul National business there would be a shortage on its own short-haul business.

Let us look into it a little closer, Mr. Speaker. The Canadian National Railway's figures are not complete for the year, but I think 1925 can be fairly said to be the best operating year they have had. Nevertheless the operating ratio of all National lines down to the end of November last amounted to 87.83. Of course, the little business off this line would only go to a small extent in that large pool, but to the extent it did go let us take the local business and assume it was good enough—which it is not; I am making a violent assumption in favour of the local business—to show an operating ratio of 87.83, and just see what happens. If we take that dollar gross revenue, which we now have on actual figures, with expenses of 87.83, and if we take the thirty per cent off that dollar, thus pulling it down to 70 cents, we then have an operating ratio of 125.52. In other words, we lose 25.52 cents for every dollar's worth of business we do, instead of making 12.17 cents.

Let us look at it now from the other way and see while the government system is penalized on the one hand, and how the receipts of this local system are to be built up on the other. Supposing we have receipts for the local line and expenses worked out in ratio of $40 to $60, we would have a ratio of 150—spending $1.50 to earn $1. Supposing on the other hand you take the exact situation here and add 30 per cent of the long haul gross, your expenses remain at the sixty, and you at once have a profitable undertaking. But all that has to be done before five cents is to be taken from the Noranda company. As I said before, I do not think the Noranda shareholders need be at all anxious—yes, I am inclined to think, as has been suggested to me, Mr. Speaker, that they are just as safe as the stenographers of the Canadian National Railway Company who incorporated the railway. I notice this is to go on and there are to be periods for accounting and the like—I will not bother the House with the details.

That gets us down to the point where we have the suggestion coming from somebody in this government to the stenographers of the Rouyn Railway Company that the governmen is willing to do business with them. Acting on that suggestion, we have the lease and we have the agreement with the mining company. The next exhibit produced is an extract from the minutes of a meeting of the board of directors of the Canadian National Railways held in the company's office in the city of Montreal, on June 9, 1925, reading as follows:

> With regard to the proposed Rouyn branch, Mr. Rayside reported to the meeting that the matter had been gone into further with representatives of the Quebec government, who had promised that free right of way over Quebec crown lands would be given, together with any timber on such lands, and that other interested parties may increase their contribution to $20,000 per year for five years.
>
> It was unanimously resolved that if the said line be constructed by another company, with free right of way on Quebec government lands as above referred to, and if there be contributed annually for five years $50,000 by the Quebec government and $20,000 by other interested parties, such payments aggregating $350,000 in all, and if the said line were leased for a long term of years to the Dominion government and by it entrusted to the Canadian National Railways for operation, and if said payments are made direct to the Canadian National Railways as representing the said lessee, and if the rental under the lease would represent not more than 6 per cent on the cost of construction, the directors would approve of such construction and leasing and entrusting.

That ties up the Canadian National management to the operation of the line. Their consent is there given. The amusing thing about it is that while again this thing is drawn as a matter of form for the purpose of deceiving the people, carrying the pretence right through, truth will out every now and again, and truth emerges here, for the minutes start with the statement:

> With regard to the proposed Rouyn branch.

Whose branch? What branch? If it had been a line for that company it would have been described as that company's line. If it is a branch of the Canadian National Railways,—well, truth will out, and it is stated to be their branch. If anything further was wanted to show the deception, here it is. The shadow is lifting, the pretence is disappearing. We have an application in Quebec to-day to change the name of the company to the Canadian National Branch Lines Company. It may take a little while to get the truth, but it is coming. We have another thing in these exhibits. Some people like to have the cash to play with—yes, and sometimes do something more than play with

it. Here is a work that was to be done by contract in the autumn of the year. Anybody who knows anything about railway contracting knows that a very substantial sum of money has to be put into the work before any payments are made at all. If you are really in the contracting business, and not in the election-contracting business, you require to have some capital to go ahead with, and the money is put in and you do not get your drawbacks till some little time afterwards. All that should be done at that time of the year, unless a lot of money is to be thrown away, is to clear the right of way and take in supplies for the spring work. Everybody in the business knows that. Of course there may be a little more done. I see the hon. member for Pontiac (Mr. Cahill) is laughing. He knows it is true.

Mr. CAHILL: I know the opposite.

Sir HENRY DRAYTON: But it does not make any difference. Some people want to get money, and so we have another meeting of the directors of the Canadian National Railways, held in the company's offices in the city of Montreal, September 21, 1925, and I find the following:

> The meeting was informed that the Rouyn Mines Railway Company has been negotiating for a loan through Dillon, Read and Company of New York of up to $2,000,000 to be secured by the pledge of not exceeding $300,000 of its thirty-year, four and a half per cent first mortgage bonds, the interest to be paid on the loan to be at the rate of four and a half per cent per annum and that one of the conditions under which said loan would be made is that payment thereof within a year would have to be guaranteed by the company, the expectation being that within such year the Rouyn Company's bonds could be sold to sufficient amount and at a reasonable rate to pay off such loan.
>
> It was unanimously resolved that a letter in the general form submitted to the meeting or to like effect addressed to American Exchange Securities Corporation, guaranteeing payment of a loan, as above mentioned, may be executed under the corporate seal and delivered, subject to the necessary order in council.

And the report goes on. No date is given to it. I do not know when it was subsequently put through; there was no time to fill it in, anyway, when I got it in November it is not there. A letter is written from the Canadian National Railway Company's office and it unconditionally guarantees the prompt and full repayment of all advances made under the credit, both interest and principal, in accordance with the terms of the credit. I am not going to read all the letter; it would take more time.

So there we see the guarantee of the government so satisfactorily arranged for and the pledging of the credit of the Canadian National for $2,000,000 of money. We had assurances on the floor of this House that this sort of thing was to stop with the Scribe hotel; that there would be no more of it, and there is no more of it until the occasion arises. But it is done here, and we have the guarantee given by the Canadian National Railways of $2,000,000 to the American bankers. Over and above that we have the guarantee of the country for $3,500,000 in this rental. We have parliament deceived and flouted. Why? Why were we told during the last session that this road was to be built by capitalists? Why was it not so built? Was it again to indicate to this country that this government is careless of its word and that the country can have and ought to have no confidence in it? Surely there was a better reason. What was it? What impelling reason was there to make this government so advertise itself? And how do you think it is all done, Mr. Speaker? It is all to be carried out by this order in council, and the order in council on its face shows this government running true to form. The order in council is based on the authority of the statutes of 1915. The statute of 1915 is referred to in that order and set out in part. It is chapter 16 of the acts of that year, and under it the Minister of Railways and Canals is authorized and empowered, subject to the authority of the Governor in Council, to construct, purchase, and so on, branch lines of railway in Quebec, in Prince Edward Island, Nova Scotia and New Brunswick. There are provisions and limitations in connection with that act. One provision is that no line which is over 200 miles in length can be acquired. The other is that the minister cannot build any line exceeding twenty-five miles in length. If we are to believe this government, having regard to their statements made day in and day out in this House, the National railways of this country are under the management and control of the Canadian Railway Board. If we are to believe what they have set out in this order in council, they are under the management and direction of the Department of Railways. It cannot be both. Either the Minister of the Interior day by day in connection with that coal question has been misleading hon. members, or this whole order in council is a farce and a sham—either one thing or the other. The only railways that can be taken under that legislation of 1915 are railways which are run in connection with or joined to what are really branches of government railways. Government railways under the definition in the act, which is the controlling act, the statute of 1915, mean any railway and all work or works connected therewith under the management and direction of the department. Will any member of the depart-

ment tell me that at any time last year the Transcontinental was under the management and direction of the department? If they do I am afraid they will prove themselves false witnesses in many cases and on many occasions. They are always saying: We have nothing to do with it; this is none of our responsibility. But for the purpose of pledging the money of the ratepayers of Canada, three and a half million dollars, oh, then they are in management, direction and control. Oh no, the Railway department could not be in control for the purpose of putting on a small twopence-halfpenny rate on fifteen thousand tons, but it can be in full control for the purpose of handling three and a half millions of dollars prior to an election.

Mr. STEWART (Edmonton): The hon. gentleman surely is not implying that the government of its own volition could interfere with rates without the sanction of parliament.

Sir HENRY DRAYTON: I believe I can at once, in view of what my hon. friend says, and in view of the reputation he enjoys with us, say that I am inclined to think he knew nothing about this Rouyn railway company. I think it was something slipped over him. He would never have asked that question if it had not been.

Mr. STEWART (Edmonton): I would like my hon. friend to reply to my question. I am making no argument on the other matters my hon. friend has brought up, but will he argue that the government of its own volition have the right to put into effect a rate without the sanction of parliament?

Sir HENRY DRAYTON: I believe my hon. friend, not knowing where he is, is jesting with me in connection with this Rouyn railway. They could not put on a twopence-halfpenny rate, but they could pass this precious order in council. Mr. Speaker, there are sometimes when even this government cannot blow hot and cold at one and the same time. They come so close together that the wires get crossed; they are crossed now. I am pointing this out to my hon. friend. The statute of 1915 gave the Minister of Railways, under certain terms and conditions, the right to acquire branch lines connected with the Intercolonial railway in the provinces I have mentioned, but before he had the right to get those lines, they had to be connected with the railway under the management and direction of the department. Now in answer to my hon. friend's question, I am pointing out that if we go back to the date of this statute the government could do exactly what he says they cannot do, namely, make rates. The government could do anything they liked about rates, and they did it on the Intercolonial, and of necessity they had to do it when the whole system was under their direction and control. Here again I am pointing out the parallel to my hon. friend, and perhaps he will be able to assist me: For the purpose of this order in council this government say that the Transcontinental is under the direction and control of the Department of Railways and Canals. They have absolutely no right, no jurisdiction to build this railway, on the one hand, or to purchase a railway, on the other, unless the fact is that this Transcontinental is under the management and direction of the department, and for the purpose of this order in council they say it is under their management. The thing is really so clear that if my hon. friend did not raise the question I would apologise for labouring it, but as he has challenged me, it is just as well to labour it.

9 p.m.

Under that act of 1915, under section 1—hon. gentlemen can read it for themselves; it is a short act—the whole right is given by which the whole of this scheme was concocted and put through, and the absolute requisite of jurisdiction is that the line from which the branch is built must be, or the line that is acquired must run to a line of railway, under the management and direction of the department. Now I wonder if all this was forgotten by the department. I wonder if the inside practices of this government and the railway that we do not know about, although we heard a little about them the other day in connection with the men engaged on the snow work—I wonder if the inside practices of this government and the railway are so close that the government forgot altogether about the order in council under the legislation of 1919 under which the management and control of this railway, the Transcontinental, was placed in the hands of the Canadian National railway. My hon. friend the Minister of the Interior (Mr. Stewart) nods his head. Then I tell him his whole order in council is absolutely improper, because it is an order in council dealing with the construction of a branch of a line which is not a government railway within the meaning of the Government Railways Act.

I also point out further, that even if that is so, even if we can have Tweedledum and Tweedledee each in turn working for the government—one moment National railways, government control, and the next instant, when it pays, Canadian National control—

even if we can have that, in any event I say this is illegal, in any event it is wrong, in any event it is a scandal. I pay no further attention for the moment to what I said this afternoon as to the way in which this House was misled and tricked. This is a railway forty-five miles in length. Now there is a plain straight limitation here, so plain that he who runs may read, that nothing over twenty-five miles can be constructed except with the approval of parliament. There is the limitation. Now is there any dispute as to the forty-five miles? Let us concede everything the whole way along. There is always something else staring my hon. friends in the face—always. What is the answer to the plain breach of the statute except the whip of necessity, to get something done that it pays to do? Well, there we have the twenty-five miles.

We may have somebody get up in this House and argue: Oh, the government did not build it; the government have the right to buy a railway up to 200 miles in length; they have a right to lease railways up to 200 miles in length; the government are not building. I do not know, Mr. Speaker, which hon. gentleman is going to take that position, but he ought to be looked upon as the supreme humourist of our day if he ever thinks anyone will ever take that suggestion seriously. Here we have the government doing everything through the Canadian National Railways, the Canadian National Railways having no rights at all. Here we have the trick of the lease just for the purpose of enabling the bonds to be put on. For what purpose? Because the government had no right to build the line; it had to do it through a third party. They had no direct right to pledge the credit of the country, therefore they had to do it by way of stealth and subterfuge. Who can say that this is not government action? Who will say that this is a real thing, a real railway company? Here we have the admission in the contract with the Noranda mines that this is indeed the work of the government, and that this government are causing this railway to be built. I wonder if anyone is going to argue under those circumstances, and in view of the documents from which I have quoted, that there is any room for doubt but that this government is building this railway, and that they had to recourse to subterfuge here, there, and everywhere for the purpose of doing crookedly what could not be done in a straightforward manner.

Not only is the action of the government absolutely in contradiction to the statements made to, but it is absolutely against the knowledge of, the older members of this House. It is another case of bad faith with parliament. This matter was discussed in 1915. The hon. Minister of National Defence (Mr. Macdonald) knows all about it. He was in the House at the time and took the position, following his honoured leader, that we take to-day. The hon. Minister of Railways and Canals knows all about it; he was in the House at the same time and took part in the same argument. In order to have even a semblance of right in this matter the provisions of the Government Railways Act have to be extended to the Transcontinental. That railway was never subject to that act; it certainly was not subject to it at the time this order was made. Further it was made clear in the House that under no circumstances were the enabling sections of this act of 1915 to be made use of for the purpose of justifying such an exploitation as this of the Transcontinental railway.

Mr. Speaker, I appeal to your own recollection. You will recollect that for years we had in this country—particularly in the more easterly provinces of Nova Scotia and New Brunswick, and in Quebec—branch lines which could not be run by themselves with any profit to their owners, or comfort or convenience to the public. The country was faced with a double set of rates, double sets of management, no through billing and the like. For years agitation was going on in the matter, and action was taken from time to time in the House. I remember reading the action taken by a former Minister of Railways, the late Mr. Emmerson, who I think first brought the matter up in concrete form. The whole idea was not to make possible an exploitation of the country's credit in this manner, not to open up new districts, not to have one set of rules for railway construction in one part of Canada and another set of rules for railway construction in another part of the Dominion; not to play favourites, not to pit the east against the west, Ontario against Quebec, farmers against speculators. No such use was ever intended. In those days the government had very different ideas from what are found to-day. The matter was not left in doubt, and I refer hon. gentlemen to Hansard of 1915, when this act was up for consideration. I referred a moment ago to my hon. friend the Minister of National Defence. He took part in the discussion at that time and is reported as follows at page 1542 of Hansard of that year:

Mr. Macdonald: While the Prime Minister is considering the amendment, I may say that I saw in one of the government papers to-day a statement to the effect that the government proposes to operate the National Transcontinental railway system as part of the Intercolonial.

I should tell the House, Mr. Speaker, that at an earlier period Sir Wilfrid Laurier had raised the question that this was a very large order and called attention to its possible effects. Mr. Macdonald goes on to say:

We ought to have a statement in regard to that announcement, which is an important one, in connection with this resolution.

The then Prime Minister, Sir Robert Borden, is reported on page 1543 as follows:

I should be perfectly willing to restrict this legislation so that it could have no possible application to any portion of the National Transcontinental railway which the government might find it necessary to operate, because that is not in our minds at all. If any amendment is desired to that end, I shall be glad to consider it.

Mr. Pugsley: As to the power to take branch lines, it may be said that there are no branch lines on the Transcontinental railway at the present time.

Sir Robert Borden: There is one I think.

Mr. Pugsley: If the government were operating temporarily, would the Transcontinental be a part of the government system of railways? I hardly think it would, because I think that by statutory definition the government system of railways consists of the Intercolonial and Prince Edward Island railways.

Sir Robert Borden: I do not think this legislation would cover the case of temporary operation by the government of the National Transcontinental railway. All the government has in mind is not to leave the National Transcontinental railway unoperated if any question should arise that might cause delay.

Mr. Macdonald: Would it be a part of the government railway system.

Sir Robert Borden: I do not think so, but I am perfectly willing to have that made plain.

Sir Wilfrid Laurier: We understand, then, that this legislation applies to the Intercolonial only?

Sir Robert Borden: And to the Prince Edward Island railway. That is thoroughly understood.

Why, Mr Speaker, both parties were committed to it, both parties knew what they were doing, and this government by their action are but committing another offence. The parliament of 1925 was deceived, was misled. So far as the parliament of 1915 is concerned, its acts are to be put to a purpose which that parliament declared they could not be put to, a declaration in which the leaders of both parties joined. Later the bill is up for third reading, and it was agreed to on what understanding? I quote from page 1685 of Hansard:

Sir Wilfrid Laurier: I understood the other day that the government policy was that this legislation was to apply only to branches of the Intercolonial.

Mr. Cochrane: Yes.

My hon. friends opposite, Mr. Speaker, indeed embarked upon a dark, twisting, tortuous adventure when they determined to set aside their own word in this House; when they determined to set at naught the statement made to members of this House and accepted by them; when they attempt, under cover of this dummy company, manned by stenographers of the Canadian National Railways, to deceive the public; when they attempt to justify all this under an order in council, held secret until no votes could be lost through the truth being known, held secret so that all the benefits without any loss could be had in connection with the political affiliations entered into, held secret until I got it in the way I have described to the House this afternoon. Ought there not to be an end some time to sham? Should we not start some time trying to deal with things on their merits? Should not even this government commence some time to have the same story for the prairies as it has for the east? Will the government, after this, again attack the Senate for holding up lines required in the prairie provinces for farmers, while at the same time they have special arrangements for their particular friends? In other words, is it really possible for a self-respecting house, irrespective of politics, irrespective of everything except decent Canadianism, to have any confidence in a government that brings down an order in council such as this, an order in council flying in the face of its obligations to this parliament and in face of the law? There are really no words which will properly describe the treatment given to certain people at the hands of this government. Is this fair, right or honest?

The order in council is a long one and I propose to hand it to Hansard, as I think it is fair, not only to hon. members but to the government, that the House should see exactly what the government has done, and so that if I have misread it in any way I may be corrected. I therefore hand it to Hansard in the expectation that it will be printed. In the same way I also hand the exhibits; it is only fair to the government and to this House that I should do so. So far as I know I have stated with absolute correctness the effect of the exhibits. I may be wrong, but if I am wrong I want to be corrected, and I can be put right only if these papers are printed properly in Hansard.

I conclude by asking the same question that I put at the commencement: Ought we to have regard for the word of a government? Ought the country to be placed in a position where it cannot tell whether the word of a government means anything or nothing? Is the word of government to-day such a light thing as to amount to nothing like the snows which have long since melted, of many winters ago? Or, has the country a right to expect that things shall be done decently and in

the open? Has the country a right to expect that public moneys and credits shall be held inviolate until the necessary direct authorization is given? Have we a right to expect equality of treatment, or must this country continue to put up with a farce of this kind which, for some peculiar reason, known only to those doing these things, coincides very closely with election dates?

(The following are the documents referred to by Sir Henry Drayton):

P.C. 1758 (a.)

EXTRACT from Minutes of Meeting of the Board of Directors of Rouyn Mines Railway Company, duly held in the city of Montreal, on Monday, the 14th day of September, 1925.

The meeting was informed that arrangements can, it is expected, be made for the lease to His Majesty the King in the right of the Dominion of Canada, herein called the government, of the line of railway intended to be constructed by the company from a point on the National Transcontinental Railway near O'Brien, in the province of Quebec, thence southerly to a point in the township of Rouyn, a distance of about forty-five miles, together with certain works and facilities in connection therewith; the rental to be paid by the government to include an amount equal, in the aggregate, to the interest on certain bonds to be issued by the company and the sinking fund payments to be made under the Trust Deed or Mortgage securing said bonds.

A printed draft of lease between the company and the government was submitted to the meeting and considered, and

It was unanimously resolved,

That a lease of the said line may be made to the government in the general form of the said printed draft subject to such charges therein as may be approved or authorized by order in council and agreed to by the president and secretary of the company.

Certified to be a true extract.

W. H. NICHOLAS,
Secretary.

[SEAL.]

This indenture made this day of October, one thousand nine hundred and twenty-five, between: Rouyn Mines Railway Company, a Company having its head office at the City of Montreal, in the Province of Quebec, (hereinafter called the lessor) of the First Part, and His Majesty the King, in the right of the Dominion of Canada, herein represented by the Minister of Railways and Canals, acting by virtue of Chapter 16 of the Statutes of Canada, 1915, and under the authority of an Order of the Governor General of Canada in Council, dated the day of September 1925 (hereinafter called the lessee) of the Second Part.

Whereas the lessor was incorporated by an Act of the Legislative Assembly of the Province of Quebec, being Chapter 110 of the Acts passed in the year 1925, with power to construct and operate the line of railway hereinafter mentioned, and to make the issue of bonds hereinafter referred to, and with power also to enter into arrangements with the Crown for the purpose of leasing the whole of its road or the whole of its interest in such road, or in any part thereof, on such conditions as to the Directors may seem advisable.

And whereas the lessor by virtue of such powers is about to construct a line of railway from a point on the National Transcontinental Railway near O'Brien in the Township of Privat, in the Province of Quebec, thence southerly through the Townships of Privat, Aiguebelle, Destor, Clericy and Dufresnoy to a point in the Township of Rouyn, a distance of approximately forty-five (45) miles, such line of railway and all the works, facilities and appurtenances hereinafter demised being herein called the said line of railway.

And whereas the Minister of Railways and Canals (hereinafter called the Minister) is of the opinion that the said line of railway is a line of railway which can more conveniently and usefully be operated as a part of the Government Railways System and one which may be deemed necessary or desirable for the more efficient operation of the said system, and the lessor has agreed to give and the Governor General in Council has authorized the Minister to accept a lease of the said line of railway upon the terms and conditions hereinafter specified.

And whereas the lessor pursuant to Section 8 of the Act incorporating the lessor proposes to create an issue of not exceeding $5,000,000 of Thirty Year 4½ per cent first mortgage bonds (hereinafter called the said bonds) of which it is expected that approximately $3,500,000 will be required to provide for the cost of construction of the said line of railway; the said issue of bonds to be secured upon the said line of railway and other properties of the Company as hereinafter referred to.

And whereas all necessary resolutions of the Board of Directors of the lessor have been duly passed and all other necessary steps have been taken to make the execution of these presents legal and valid in accordance with all the statutes relating to the lessor and to all other statutes and laws in that behalf.

Now therefore this indenture witnesseth: In consideration of the rents and other yearly sums hereinafter reserved and the covenants and agreements on the part of the lessee hereinafter contained, the lessor in pursuance of all powers it thereunto enabling doth hereby demise and lease unto the lessee:

The said line of railway, extending from a point on the National Transcontinental Railway near O'Brien, in the Township of Privat, in the Province of Quebec, to a point in the Township of Rouyn, a distance of approximately forty-five (45) miles, and all stations, yards, tracks, siding, buildings, rights of way, power houses, lines of railway, transmission lines, lines of telegraph or telephone, and all structures, improvements, fixtures, plant, equipment, rolling stock, machinery, tools, implements, fuel, supplies and materials of whatsoever nature, kind or description, and all lands, interests in lands, properties, easements, servitudes and premises, and all other properties, real and personal, moveable or immoveable, from time to time acquired for the purposes of the said line of railway, or constructed or used in connection therewith, or in connection with the maintenance and operation thereof, and also all rents, revenues, tariffs, tolls or other income arising or to arise from the said line of railway hereby demised, or from any part thereof, and also all corporate and other franchises, rights, privileges, authorities, powers and immunities now owned, held or enjoyed by, or that may hereafter during the existence of these presents be acquired by or conferred upon the lessor, and the full benefit of all contracts, agreements, by-laws, engagements or concessions, of whatsoever description, relating to the construction, operation, maintenance or otherwise of the said line of railway or of any part thereof, now made, held or enjoyed by, or which may during the existence of these presents be made or acquired by or conferred upon the lessor, subject, however, to all obligations and liabilities of the lessor under any statutes relating to the lessor, or the said line of railway, the whole being hereinafter called, or referred to as, the demised premises;

To have and to hold the demised premises unto the lessee for the term of thirty years from the date on which the said line is opened for traffic, fully to be complete and ended; yielding and paying therefor unto the lessor yearly during the said term the several rents or other sums following, namely:

(a) During the first and every subsequent year of the said term such sum as shall be sufficient (in accordance with the terms and provisions of the deed of trust or mortgage securing the said bonds) to pay the interest and sinking funds upon the said bonds for the time being issued and outstanding, and all other moneys lawfully payable under such deed of trust or mortgage, including accrued interest on bonds purchased or drawn for redemption under the sinking fund provisions thereof. The whole of such rental shall be paid free of all lawful Canadian taxes or deductions of whatsoever nature, and shall at the option of the lessor be payable in the City of New York in gold coin of the United States of America of the standard of weight and fineness existing October 1, 1925, or in the City of Montreal, Canada, in lawful money of the Dominion of Canada, by equal half-yearly payments made ten days prior to the respective dates for payment of interest and sinking fund moneys under such deed of trust or mortgage. It is hereby declared and agreed that the lessor intends to assign and may and will assign to the Trustee or Trustees under the deed of trust or mortgage securing the said bonds, the rental payments to be made for and in connection with said interest and sinking fund payments as in this paragraph (a) provided for; and the lessor hereby requests and authorizes the lessee to make such payments direct to the said trustee or trustees, to be received, held and used by said trustee or trustees as and for payment of interest and sinking fund monies under said deed of trust or mortgage; and the lessee hereby covenants to make such rental payments to said trustee or trustees accordingly.

(b) Such sums as may from time to time be paid or payable by the lessor by way of interest or discount on loans or advances made to the lessor by any bank or other corporation provided that interest on construction items may be charged to construction cost and that bonds forming part of the said issue may be issued in respect thereof.

(c) Such further annual sum or rent as shall be equal to the actual annual expenses for administering the affairs and maintaining the organization of the lessor, limited however to an amount not exceeding one thousand dollars per annum, and also any remuneration for the time being payable by the lessor to the trustees of the said bonds, the sums payable under this paragraph (c) to be paid without deduction on the same dates and times, and with the same option in the lessor as to the place and mode of payment, as the rent reserved by paragraph (a).

The Lessor Covenants With The Lessee

1. That it will use its best endeavours to complete the said line of railway now about to be constructed and to deliver the same to the lesee, ready for operation, not later than the first day of January, 1927, but the non-compliance by the lessor with this obligation shall not in any way prejudice or affect this lease or the obligations of the lessee hereunder with respect to payment of the rents and other yearly sums herein reserved.

2. That it will during the continuance of this indenture keep up its corporate organization, and will from time to time at the expense of the lessee perform all acts which the lessor is or may be by law in that behalf required to perform, and will neither do nor suffer to be done any act by which its corporate existence, rights or franchises shall become subject to forfeiture or impairment, and will make all necessary applications required by the lessee, but at the expense of the lessee, for extensions or enlargements of franchises and powers now existing as may be required by the lessee from time to time; provided always that the amalgamation of the lessor, with the approval of the lessee, with any other company with which it may at any time be authorized by law to amalgamate, and the proceedings relative to or consequent upon such amalgamation, shall not be treated as a breach of this covenant, nor in any way prejudice or affect this lease, nor the right, title and interest nor the privilege and powers of the lessee hereunder.

3. That the demised premises and each and every part thereof are free and clear of all liens, hypothecs and encumbrances.

4. That it will not under any of its powers as hereinbefore recited issue additional bonds ranking prior to or pari passu with the said bonds except with the consent of the lessee pursuant to clause 20 hereof.

5. That during the term of this lease the lessee shall have the right to exercise and enjoy all the franchises and powers of the lessor now or hereafter authorized by statute in respect of the demised premises and the construction, operation and maintenance thereof, or for any purpose incidental to the undertaking and works of the lessor, or the extension, enlargement or improvement thereof in any authorized manner; and the lessee is hereby authorized by the lessor to take all legal and other proceedings whatsoever that may be necessary or expedient in the exercise of the said franchises and powers, and for that purpose, at the lessee's option, to use the lessee's name, or the name of the lessor, and the names of the officers of the lessor, which officers are hereby authorized, upon the demand of the lessee, to append their signatures, and to affix the seal of the lessor to any documents or instruments, plans, applications, or writings of any sort that may be necessary or useful, in, or in respect of, the full exercise, use and enjoyment of every such franchise and power.

6. That the lessee may make such extensions, enlargements and improvements upon, alterations and changes in, and additions to the demised premises as the lessee may deem proper, within the limits of the corporate powers and authorities of the lessor as from time to time existing; and may entrust the management and operation of the demised premises to the Canadian National Railway Company or to any other company with which such company may be amalgamated, or any other company approved by the Governor General in Council; and may also make with any corporation or person the usual terminal, traffic, operating, running and leasing agreements (subject to the provisions of all applicable statutes or laws), providing, among other things, for the interchange of cars and traffic and the running of engines and cars upon, in, over or through the demised premises or any part thereof, or the exercise of privileges, or the furnishing of facilities or conveniences for the public, or in connection with the traffic handled thereon; the intention being that the lessee shall, during the said term, with respect to the use to be made of the demised premises, have and may exercise all the powers, rights, privileges and franchises of the lessor.

On demand of the lessee at any time while this lease is in effect and so long as no default thereunder has been made by the lessee the lessor shall consent to the amalgamation of the lessor with any railway company named by the lessee and shall take all necessary corporate action required to complete such amalgamation on such terms and conditions as the lessee may desire.

7. That the lessor will to the extent of its corporate powers from time to time make all or any further assurances and contracts and will do and perform all

such acts and things as may be required to protect the lessee in the possession of the demised premises and for fully carrying into effect the objects and intentions of this indenture; and that the lessee may make, enact and enforce, either in the name of the lessor or of the lessee, all lawful rules, regulations and by-laws concerning the operation and maintenance of the demised premises and for the preservation of order therein and thereon from time to time necessary or required as fully and effectually as the lessor may from time to time make, enact or enforce the same under the statutes and laws applicable to the lessor or its undertaking and works; and the lessee may, but at the lessee's cost and expense, use the lessor's name in any action, suit or other proceeding whatsover in connection with the demised premises.

8. The lessee may with the consent of the lessor and of the trustee or trustees of the mortgage or deed of trust securing the said bonds, or of any other mortgages or deeds of trust for the time being lawfully executed by the lessor in respect of outstanding bonds issued by the lessor, in accordance with the provisions hereof, convey by way of release or otherwise to parties designated by the lessee any part of the demised premises which in the judgment of the lessee it has become inexpedient to hold or use for the purpose of the said line of railway; provided, however, that in each case other property which may consist of cash and/or lands, buildings, machinery, rails, equipment or plant of a value equal in the opinion of such trustees to the value of the property released shall be substituted for the released property and subjected to the terms of this lease, and that such release herefrom shall not in the opinion of such trustee impair the security under the said mortgages or deeds of trust or any of them; and the lessee may further without any consent by such trustees and free from the liens of any such deed or deeds of trust, sell, exchange or otherwise dispose of any equipment, plant, machinery, materials or other moveable property forming part of the demised premises which may have become worn out, disused or undesirable for use by the lessee, provided, however, that the lessee shall obtain or substitute therefor cash and/or other property which is of equal or greater value, and that all renewals or substituted materials and property shall be covered by and subjected to the terms of this lease.

9. That the lessee paying the respective rents or other yearly sums hereinbefore reserved or made payable, and performing and observing the several covenants, conditions and agreements herein contained and on the part of the lessee to be performed and observed shall and may peacefully and quietly hold and enjoy (subject and according to the respective natures and tenures of the various portions thereof) the premises hereby demised during the term hereby granted without any interruption or disturbance by the lessor or by any person deriving title to such demised premises through the lessor.

The Lessee Covenants With The Lessor:

10. That the lessee will during the continuance of this indenture, or so long as the lessee shall remain in possession or control of the demised premises under this indenture, pay to the lessor, or to whomsoever shall lawfully be entitled to receive the same:

(a) the yearly rents or sums hereinbefore reserved or made payable at the times and in the manner at which and in which the same are respectively hereinbefore reserved and made payable, free of all taxes and without deductions of any description.

(b) All lawful taxes, assessments and outgoings whatsoever to the extent only that the lessor is liable therefor that may after the lessee receives possession of the demised premises be payable in respect thereof or be lawfully levied or become chargeable thereon, or on any part thereof, or upon the lessor in pursuance of any lawful authority, whether municipal, provincial, or otherwise, and will assume and pay every payment which during the continuance of this indenture may be required to be made by the lessor and not herein otherwise specifically provided for, as if the lessee were primarily liable for the same, but only to the extent aforesaid. Nothing in this clause shall give to any assessing authority any power to tax the Crown nor be taken to extend any powers which such assessing authority would otherwise have.

11. That the lessee will assume, perform and comply with the terms and provisions of all contracts, agreements, by-laws, engagements or concessions of whatsoever description made, held or enjoyed by the lessor and existing at the time when the lessee enters into possession under the terms hereof, and will indemnify and save harmless the lessor against all actions, suits or other proceedings and against all damage and loss which may in any manner arise or be occasioned to the lessor in respect thereof.

12. That the lessee will cause to be operated and maintained the undertakings and works of the lessor included in the demised premises in such manner as to comply in all respects with the provisions of all statutes and laws relating thereto, and so as to protect the rights of all parties to this lease, and will do and perform or cause to be done or performed, at its own expense, all such lawful acts, duties, obligations, matters and things as may be necessary to preserve the corporate rights and franchises of the lessor from impairment or forfeiture, whether the same are required to be done or performed by the lessor, or with respect to the said undertaking and works or any part thereof by virtue of the laws of the Dominion of Canada, or of any province or municipality.

13. That if required the lessee will join in any mortgage or deeds of trust, hypothecs or other documents, which it may from time to time be necessary to execute, to provide for the issue or the payment or retirement of the said bonds for the purpose, but for the purpose only, of providing that the payments to be made by the lessee under this indenture shall be payable or available in such manner as may be specified in such mortgages or deeds of trust or hypothecs, not inconsistent, however, with the provisions hereof. It is understood that the lessee shall not in any event be called upon to pay any sum or sums on account of principal due or to become due under any mortgages or deeds of trust, or hypothecs, executed by the lessor to secure any of the securities aforementioned except in so far as the rent payable under this lease may provide for such payment.

14. That the lessee will at all times during the said term maintain all the demised premises in good and substantial repair and working condition and will, subject to the provisions of clause 8 hereof, renew and replace the same from time to time as the same or any part thereof respectively becomes out of repair, worn out, unusable, lost or destroyed, notwithstanding that this may involve substitution of new for old, and so that all such renewed and replaced premises shall be vested in the lessor and made subject to the terms of this lease.

15. That the lessee will at all times during the said term afford the lessor, its officers and agents, all such facilities as it or they shall reasonably require for ascertaining whether the covenants and provisions of this lease have been or are being duly performed and observed, and will make good any breach or non-observance thereof on demand in writing specifying such breach or non-observaance, and that in default of the lessee so doing it shall be lawful for the lessor, but without prejudice to the rights of re-entry under the provisions hereinafter contained, to make good any

such breach or non-observance at the expense of the lessee, and the amount of any expense so incurred by the lessor shall be repaid by the lessee to the lessor on demand, and shall from the date of payment by the lessor be treated as rental due by the lessee under the provisions hereof.

16. That the lessee will at all times during the said term insure and keep insured against loss or damage by fire and other risk usually insured against in the case of similar properties, such of the demised premises for the time being as are of a reasonably insurable nature, to such an amount as is usual in similar properties, by means of an insurance fund maintained or to be maintained by the Canadian National Railways, and that in case of damage to or destruction of the demised premises or any part thereof by fire or other risk insured against the moneys received in respect of such insurance shall be laid out in restoring, reinstating or replacing the same and in case such moneys shall be insufficient for the purpose the deficiency shall be made good by the lessee; provided, however, that insurance effected under the terms of any mortgages or deeds of trust or hypothecs securing any bonds issued by the lessor, and outstanding, shall be deemed pro tanto compliance with this clause.

17. That except as provided for in clause 8 hereof the lessee will not assign, transfer, or part with the possession or beneficial ownership of, or permit to be taken in execution, the properties for the time being comprised in the demised premises, or any part thereof, but so that this present covenant and provision shall not prevent the lessee from making or requiring the lessor to make the various agreements or arrangements provided for in clause 6 of this Indenture.

18. That the lessee will at all times during the said term assume and pay, discharge and perform, all debts, obligations, and liabilities whatsoever, whensoever and howsoever arising, of the lessor in respect of the said line of railway (other than and except the current expenses incurred for administering the affairs and maintaining the organization of the lessor for meeting which certain rentals are hereinbefore reserved, and except also the liabilities of the lessor in respect of the said bonds issued or to be issued by it, or other borrowed moneys) to the intent that the rent mentioned in paragraph (a) of the clause next preceding clause 1 hereof may at all times during the said term be available free from all deductions and claims whatsoever, for meeting the annual charge for interest and sinking funds in respect of the said bonds issued by the lessor pursuant to the provisions of this lease.

19. That the lessee will, subject to the provisions of clause 25 of this lease, at the expiration or sooner determination of the said term surrender and deliver up to the lessor the demised premises, and all property, rights and assets of every kind and description comprised or which ought to be comprised in the demise hereby made, and all additions and improvements made thereto, so repaired, maintained and renewed as aforesaid, in good working order and condition; and also will at such expiration or sooner determination of the said term assign to the lessor, if so required by it, all or any of the contracts, agreements, engagements, or undertakings then existing which may have been entered into by the lessee in connection with the maintenance, use, operation, renewal or repair of the demised premises or any part thereof.

And mutually agreed:

20. That in the event of any extensions, enlargements or improvements of whatsoever nature of, upon or in connection with the demised premises or any part thereof, or in connection with the undertakings and works of the lessor, within its powers as now or hereafter authorized by Statute being at any time required by the lessee after the lessee shall have entered into possession of the demised premises the same shall be made, provided, constructed, erected or furnished by the lessee in such manner and in accordance with such plans and specifications as may be mutually agreed upon between the lessor and lessee, or failing agreement as may be settled by arbitration under the provisions of this lease. The cost of providing, constructing or erecting any such extensions, enlargements or improvements shall in the first place be paid by the lessee, but the same shall be vested in and become the property of the lessor, subject to the provisions of this lease, upon the issue to the lessee of bonds or other securities of the lessor, at the option of the lessee carrying interest at such rate and to be issued on such terms and at such prices as may be mutually agreed upon, or failing agreement to be settled by arbitration as aforesaid, to an amount sufficient at the price aforesaid to meet the cost of any such extensions, enlargements or improvements, including in such cost interest during construction and all engineers' fees and other costs, charges and expenses.

21. Before the lessee shall be entitled to require the lessor to issue to the lessee any such bonds or other securities as provided in the next preceding clause hereof, the lessee shall if required by the lessor execute all such assurances, leases, covenants and documents as may be necessary to vest in the lessor, subject to the terms of this lease, the property and works provided for or executed in connection with the said extensions, enlargements and improvements (as the case may be).

22. Provided always and these presents are upon the express condition following, namely:

(a) If any instalment of any rent or other yearly sum hereinbefore reserved or made payable, or any part thereof, shall at any time be in arrear and unpaid for thirty days after the due date for payment thereof, or

(b) If the lessee shall at any time fail to perform or observe any covenant, provision, condition or agreement herein contained and on its part to be performed or observed.

then and in any such case the lessor may give six months' notice of default in writing to the lessee, specifying (in the event of default being claimed in respect of the provisions of sub-clause (b) of this clause) the nature of such default and the covenant, provision, condition or agreement so broken; and unless (in the event of default being claimed in respect of the provisions of sub-clause (a) of this clause) the lessee shall within such notice period pay the rentals or other sums so in arrear, and all costs, charges and expenses which the lessor may have been put to by reason of such default, or unless (in the event of default being claimed in respect of the provisions of sub-clause (b) of this clause) the lessee shall within such notice period fully and effectually remedy and make good such default to the satisfaction of the lessor, the lessor may without further notice, treat this lease as void and may forthwith re-enter upon and take possession of the demised premises or any part thereof in the name of the whole and the said premises peacefully hold and enjoy thenceforth as if these presents had not been executed without prejudice to any right of action or remedy of the lessor in respect of any covenant, condition or provision herein contained; and no acceptance of rent subsequent to any breach or default other than non-payment of rent, nor any condoning, excusing, or overlooking by the lessor on previous occasions of breaches or defaults similar to that for which re-entry is made shall be taken to operate as a waiver of this condition, nor in any way to defeat or affect the rights of the lessor hereunder. And that upon the said lease being so treated as void

and re-entry made the lessee shall forthwith comply with the provisions of clause 19 hereof, and that all and whatsoever is or ought to be surrendered, delivered and assigned to the lessor, shall be surrendered, delivered and assigned free of all claims by the lessee and without prejudice to any such right of action or remedy of the lessor as aforesaid.

Provided also that if any part of the rent payable under the provisions of paragrah (a) of the granting clause on page 3 hereof be not paid on the due payment date and shall not be paid within ninety (90) days from such date, the lessee shall and will immediately pay to the trustee or trustees for the time being under the deed of trust or mortgage securing the said bonds, in trust to distribute the same ratably among the holders thereof, in full settlement of all past, present and future claims for rent due or to become due under said paragraph (a), a sum equal to the aggregate of

(1) The principal amount of all the bonds issued and outstanding under said deed of trust or mortgage on the date on which the instalment of interest or sinking fund constituting said rent became payable, plus

(2) The face amount of all unpaid coupons on said issued and outstanding bonds maturing on or before the date on which the instalment of interest or sinking fund constituting said rent became payable, plus

(3) Interest on both of said amounts, at the rate of five per cent (5%) per annum, from the date on which the instalment of interest or sinking fund constituting said rent became payable to the date of payment of said amounts to the said trustee or trustees, and also shall and will pay to the said trustee or trustees all other sums payable or to become payable to it or them under said deed of trust or mortgage by way of its or their remuneration and expenses in the discharge of the trust created thereby.

23. Every disagreement which may arise between the lessor and the lessee as to the construction of this lease or any part thereof, or as to the rights or liabilities of the parties or any of them under this lease, shall be decided by arbitration, the lessor to appoint one arbitrator and the lessee to appoint another, and the two so appointed to appoint a third, but if the lessor or the lessee fail for two weeks after appointment and notice thereof by the other party to appoint an arbitrator, or if the two when appointed fail for two weeks to appoint a third, then any judge of the Supreme Court of Canada may appoint an arbitrator instead of appointment thereof by the lessor or the lessee or by the two arbitrators as the case may be, and the award in writing of the majority of the three arbitrators shall be conclusive and binding upon the parties hereto.

24. Any notice to be given to the lessee may be given by being delivered or sent by registered mail to the Minister of Railways and Canals or his lawful deputy at Ottawa, Canada, and any notice to be given to the lessor by the lessee may be left at or sent by registered mail to the office for the time being known to the lessee of the lessor. Should the lessee be unaware of the location of any such office it may leave or send by registered mail any such notice addressed to the lessor at the place where the then last preceding payment of rental hereunder was made.

25. The lessee may at any time during the term hereby created on sixty days' notice in writing to the lessor acquire the whole of the demised premises from the lessor upon assuming the bonds then outstanding and all interest thereon, provided that all bonds retired by means of sinking fund payments or by means of the application of rental payments under this lease, or portions of such rental payments, shall be deemed to have been purchased and retired by the lessee and shall not be considered as outstanding under this clause.

[Sir Henry Drayton.]

In such case all sinking funds in the hands of the trustees of the said bonds shall enure to the benefit of the lessee in reduction of its liability on the bonds so assumed.

In respect of the payment of interest or sinking fund monies on or in respect of outstanding bonds, it is assumed that all payments of rental made by the lessee hereunder will up to the date of the delivery of the deeds be duly and properly applied to the payments of such interest and sinking fund moneys in accordance with the terms of this lease, otherwise the lessee may deduct any amounts not so paid out of the moneys payable under this clause.

Should the lessor for any reason neglect or refuse to deliver proper deeds or transfers of the demised premises pursuant to the notice given under this clause, the lessee may expropriate the whole of the demised premises, in which case the compensation payable to the lessor in respect of such expropriation shall be fixed at one dollar ($1.00). The lessor shall also upon exercise of such option if and when required by the lessee call in and assign to the lessee or its nominees all of the capital stock issued by the lessor.

26.. This lease shall enure to the benefit of and be binding upon the respective successors and assigns of the parties hereto.

In witness whereof the parties hereto have executed this lease. Signed, sealed and delivered in the presence of, Rouyn Mines Railway Company.

.. ..

Secretary President

.. ..

Minister of Railways and Canals

Dated September 1st, 1925.

Noranda Mines, Limited. (No personal liability) and His Majesty the King.

Guarantee agreement re Rouyn Mines Railway Company.

This agreement made this 1st day of September, 1925.

BETWEEN

Noranda Mines, Limited (no personal liability), hereinafter called the "Guarantor",

of the first part,

AND

His Majesty the King in the right of the Dominion of Canada, herein represented by the Minister of Railways and Canals, acting by virtue of an order in council, dated the day of 1925, hereinafter called "His Majesty",

of the second part.

Whereas His Majesty has arranged for the construction by a railway company (hereinafter called the "Railway Company") of a line of railway (hereinafter called "the said line of railway") from a point on the National Transcontinental railway at or near O'Brien to a point in the township of Rouyn connecting with the plant of the guarantor to be there erected which said line of railway His Majesty proposes to lease (which lease is hereinafter called "the said lease") and to cause it to be operated as a part of the Canadian National Railways;

And whereas it is anticipated that during the first few years after the said line of railway has been completed and opened for traffic deficits will arise in connection with the operation thereof;

And whereas the province of Quebec is willing to guarantee the payment against such deficits (if any) of fifty thousand dollars ($50,000) a year for five (5) years from the date the said line of railway is opened for traffic, hereinafter called the "initial date", but a further guarantee is required of twenty thousand dollars ($20,000) a year for the same period from the guarantor who is interested in mining locations to be reached by the said line of railway;

Witnesseth that in consideration of the premises the parties hereto have agreed each with the other as follows:

His Majesty agrees:

1. To cause the railway company to construct and complete the said line of railway with all reasonable expedition and to lease it from the railway company by lease approximately in the form attached.

2. To cause the operation of the said line of railway when leased to be entrusted to the Canadian National Railway Company for operation under the terms of section 11 of chapter 13 of the statutes of Canada, 1919.

3. To cause accounts to be kept of all freight traffic moving over the said line of railway and/or freight traffic originating upon or destined to points upon the said line of railway moving from, through or to points upon the Canadian National Railways in Canada, all of such traffic being hereinafter called "such traffic."

4. To allocate thirty per cent (30%) of the gross earnings received by the Canadian National Railways from such traffic, hereinafter called "the said operating net earnings", to the said line of railway as earnings attributable to the said line of railway for the purposes of this agreement.

The Guarantor agrees:

5. That should the said operating net earnings of any one year of the first five (5) years from the initial date be insufficient to cover the rental including sinking fund payable under the said lease, after crediting the fifty thousand dollars ($50,000) per annum agreed to be paid as aforesaid by the province of Quebec, to pay to the Canadian National Railway Company as operators of the railway within thirty (30) days after the receipt of a summarized statement of account showing a deficit, the amount following:—

(a) When said deficit equals or exceeds twenty thousand dollars ($20,000) the sum of twenty thousand dollars ($20,000) in cash.

(b) When such deficit is less than twenty thousand dollars ($20,000) the amount of such deficit in cash.

And mutually agreed:

6. That the certificate of the Vice-President of Finance of the Canadian National Railways, or such officer as may at the time be performing the duties of said vice-president, shall be conclusive as to the existence and amount of such deficit, but the guarantor may, if it so desires, take steps at its own expense to verify such statements and for such purpose shall have access to all the records and accounts upon which the certificate is founded, and any inaccuracies discovered shall be rectified in subsequent years, but no payments due, or accruing due, shall be deferred pending such verification.

7. That the liability of the Guarantor under this agreement is limited to the amount of the deficit (if any) in any one of the five years after the initial date, ascertained as provided in paragraph 5 hereof, but not exceeding the sum of $20,000 in any one year of such period of five (5) years, or One Hundred Thousand Dollars ($100,000) in all.

8. That the accounts specified in Clause 3 of this agreement shall be continued for ten years from the initial date and if at that time it appears and is so certified by the Vice-President, or other officer as aforesaid, that the said operating net earnings have been sufficient to pay all the rentals including sinking fund payable under the said lease, after crediting the Fifty Thousand Dollars ($50,000) per annum agreed to be paid by the Province of Quebec, leaving a balance arising from such operation, then and in that case His Majesty will cause to be repaid to the Guarantor, without interest:

(a) When such balance equals or exceeds One Hundred Thousand Dollars ($100,000) the sum of One Hundred Thousand Dollars ($100,000).

(b) When the balance is less than One Hundred Thousand Dollars ($100,000) the amount of such balance.

9. If pursuant to the taking of accounts provided for in Clause 8 there results—

(a) No repayment to the Guarantor.

(b) A partial repayment only to the Guarantor.

Then the same accounts shall be continued for one further period of five years, or until fifteen years from the initial date, and if then a balance is found to arise and is so certified from such operation His Majesty will cause to be repaid to the Guarantor, without interest—

(c) When such balance equals or exceeds One Hundred Thousand Dollars ($100,000) (less any amount repaid previously under the provisions of Clause 8) the sum of One Hundred Thousand Dollars ($100,000) less such repayment.

(d) When such balance is less than One Hundred Thousand Dollars ($100,000) (as reduced by any such partial repayment) the amount of such balance or profit.

The underlying principle in both Clauses 8 and 9 of this agreement being no repayment except from operating net earnings, as specified.

10. Clauses 8 and 9 have been drawn upon the assumption that the Guarantor was called upon to pay and duly paid the whole One Hundred Thousand Dollars ($100,000) covered by their guarantee. It is, of course, understood that in the event of the Guarantor not being called upon to pay and not paying the whole One Hundred Thousand Dollars ($100,000) the obligation of His Majesty to refund shall in no case exceed the actual contribution without interest, by the Guarantor to His Majesty under the terms of this agreement.

11. That after fifteen years from the initial date the taking or continuing of accounts, as provided for in Clauses 3, 8 and 9 of this agreement shall cease absolutely, and all claims for repayment remaining unsatisfied after the application of the provisions of Clauses 8 and 9 shall be waived.

12. That should the operation of the said line of railway prior to fifteen years from the initial date be permanently abandoned or service be withdrawn continuously for a period of six (6) months (other than on account of the closing down of all mines served by such line of railway or the withholding of traffic by the mining interests) then His Majesty will repay to the Guarantor, without interest, any amounts paid to His Majesty by the Guarantor under this agreement.

13. This agreement shall enure to the benefit of and be binding upon the successors and assigns of the respective parties.

In witness whereof the parties hereto have executed this agreement.

Signed, sealed and delivered in the presence of

NORANDA MINES, LIMITED,
(No Personal Liability.)
JAMES Y. MURDOCH,
President.
F. W. ROSS,
Assistant Secretary.

Extract from Minutes of meeting of the Board of Directors of the Canadian National Railway Company.

Held in the Company's Offices in the City of Montreal on Monday the 9th day of June, 1925.

With regard to the proposed Rouyn Branch Mr. Rayside reported to the Meeting that the matter had been gone into further with representatives of the Quebec Government who had promised that free right-of-way over (Quebec) Crown Lands would be given, together

with any timber on such lands, and that other interested parties may increase their contribution to $20,000 per year for five years.

It was unanimously resolved.

That if the said line be constructed by another Company (with free right-of-way on Quebec Government lands) as above referred to and if there be contributed annually for five years $50,000 by the Quebec Government and $20,000 by other interested parties such payments aggregating $350,000 in all, and if said line were leased for a long term of years to the Dominion Government and by it entrusted to the Canadian National Railways for operation and if said payments are made direct to the Canadian National Railways as representing the said lessee and if the rental under the lease would represent not more than 6 per cent on the cost of construction the Directors would approve of such construction and leasing and entrusting.

Certified to be a true extract.

R. P. ORMSBY,
Secretary.

Extract from Minutes of meeting of the Board of Directors of the Canadian National Railway Company.

Held in the Company's Offices in the City of Montreal, on Monday the 21st day of September, 1925.

The Meeting was informed that the Rouyn Mines Railway Company has been negotiating for a loan through Dillon, Read and Company of New York of up to $2,000,000 to be secured by the pledge of, not exceeding $3,000,000 of its 30 year, 4½ per cent First Mortgage Bonds, the interest to be paid on the loan to be at the rate of 4½ per annum; and that one of the conditions under which said loan would be made is that payment thereof within a year would have to be guaranteed by the Company; the expectation being that within such year the Rouyn Company's Bonds could be sold to sufficient amount and at a reasonable rate to pay off such loan.

It was unanimously resolved.

That a letter in the general form submitted to the Meeting or to like effect addressed to American Exchange Securities Corporation, guaranteeing payment of a loan, as above mentioned, may be executed under the corporate seal and delivered, subject to the necessary Order in Council.

Certified to be a true extract.

R. P. ORMSBY,
Secretary.

Montreal, Canada, 1925.

American Exchange Securities Corporation,
128 Broadway, New York City, N.Y.

Dear Sirs:—You are about to grant a credit to Rouyn Mines Railway Company, a corporation incorporated by an act of the Legislative Assembly of the province of Quebec, for the term of one year from date hereof, in the sum of Two Million Dollars ($2,000,000); the terms and conditions whereof are set forth in the attached letter, dated , 1925, from you to said Railway Company.

This Company is to operate said line of railway of said Railway Company under an order in Council entrusting to this Company the management and operation of said line of railway. This Company also expects to acquire at least a controlling interest in the capital stock of said Railway Company.

In consideration of the benefits to accrue to this Company from the granting of said credit, which will enable said Railway Company to construct said line of railway, and in order to induce you to grant said credit, this Company hereby unconditionally guarantees to you the prompt and full repayment of all advances made under said credit, both principal and interest, in accordance with the terms of said credit.

Very truly yours,
Canadian National Railway Company.
By

New York, 1925.

Rouyn Mines Railway Company,
Montreal, Canada.

Dear Sirs,—We are willing to grant you a credit, for the term of one year from date hereof, in the sum of Two Million Dollars ($2,000,000) for the purpose of enabling you to construct a line of railway from a point on the National Transcontinental Railway near O'Brien, in the Province of Quebec, to a point in the Township of Rouyn, in said Province, about 45 miles distant, on the following terms and conditions: Said credit to be availed of in amounts of $500,000 from time to time, and the first $500,000 thereof to be availed of within 60 days from date hereof; the amount of said credit availed of to be placed to your credit on the books of The American Exchange-Pacific National Bank, not subject to payment of drawing interest, and to be withdrawn from time to time by you only as construction requirements in respect of the said line of railway necessitate; as soon as the first $500,000 advance upon the credit is exhausted a new advance of $500,000 to be taken and similarly credited to your account on our books, and this procedure repeated until the full $2,000,000 has been advanced or all advances under the credit have been repaid in full; the advances made to you under the credit to bear interest at the rate of 4½ per cent per annum; payable quarterly, and no interest to be otherwise payable; each advance to be secured by your promissory note for the amount of the advance, with interest at the rate of 4½ per cent per annum, repayable on or before the expiration of one year from the date of the granting of the credit, and, as collateral security, by a principal amount of your First Mortgage Thirty-Year 4½ per cent Bonds equal to 150 per cent of the amount of the advances made under the credit; said bonds to be part of an issue limited to $5,000,000 and the mortgage securing the same to constitute, in the opinion of our counsel, a first lien on the said line of railway and on the lessor interest of your Company in lease of said line of railway to the Crown for a term extending at least to the maturity of the bonds, at a rental at least sufficient to meet the full interest and sinking fund requirements on all bonds outstanding under the mortgage; the Canadian National Railway Company to unconditionally guarantee to us the prompt and full repayment of all advances made under said credit, both principal and interest, in accordance with the terms of said credit.

The above is subject, of course, to the approval of our counsel as to all legal matters connected herewith.

Very truly yours,
AMERICAN EXCHANGE SECURITIES CORPORATION,
By.....
Vice-President.

P.C. 1758.

Certified copy of a Minute of a Meeting of the Committee of the Privy Council, approved by The Deputy His Excellency the Governor General on the 26th September, 1925.

The Committee of the Privy Council have had before them a report, dated 25th September, 1925, from the Right Honourable the Prime Minister, for the

Minister of Railways and Canals, representing as follows:

1. That the Rouyn Mines Railway Company, hereinafter referred to as the "Mines Railway" or "the Company," is a body corporate, duly incorporated under the Statutes of the Province of Quebec, 1925, Chapter 110 thereof, with authority to construct and operate "a line or lines of railway from a point on the National Transcontinental Railway near O'Brien, in the township of Privat, in the Province of Quebec, thence southerly through the townships of Privat, Poularies, Destor and Dufresnoy, or other adjacent township, to a point in the township of Rouyn; with power to build branch lines from a point in said township of Rouyn westerly to a point on the provincial boundary between the Provinces of Quebec and Ontario, and easterly to a point at or near Grand Lake Victoria, and a point on the National Transcontinental Railway west of Parent.

2. That the Mines Railway under its Act of Incorporation is authorized to borrow in Canada or elsewhere the sums of money needed for the construction, maintenance and operation of the railway, the purchase of the land and the construction or acquisition of other properties or works, other than the railway which the said Company is authorized to acquire, construct or operate and to issue bonds, debentures and other securities for any sums so borrowed.

3. That the Mines Railway under its Act of Incorporation is authorized to lease, sell or transfer the whole of its railway or the whole or any part of its interests in the whole railway or any part thereof to any railway company or to the Crown.

4. That, pursuant to its statutory authority, the Mines Railway is constructing a line of railway from a point on the National Transcontinental Railway, near O'Brien, in the township of Privat, in the Province of Quebec, thence southerly through the townships of Privat, Aiguebelle, Destor, Clericy and Dufresnoy to a point in the township of Rouyn, a distance of approximately forty-five (45) miles, which line of railway is hereinafter referred to as "the railway."

5. That under the authority of the Statutes of Canada, 1915, Chapter 16, Section 1, Subsection (1) thereof, the Minister of Railways and Canals is authorized and empowered as follows:—

1. The Minister of Railways and Canals is authorized and empowered, subject to the authority of the Governor in Council, to construct, purchase, lease either with or without an agreement to purchase, or otherwise acquire in whole or in part, any line or lines of railway, branch line, railway bridge, railway station, railway terminal, railway ferry or other railway work in the provinces of Quebec, New Brunswick, Nova Scotia and Prince Edward Island, or in any of the said provinces, which in his opinion can more conveniently and usefully be operated as part of the Government Railways system, or which may be deemed necessary or desirable for the more efficient operation of the said system; Provided, however, that a copy of every such lease or contract of purchase shall be laid before Parliament within one month after the execution thereof, if Parliament is then sitting, or, if Parliament is not then sitting within ten days after the opening of the next session thereafter: Provided, further, that no such line of railway so leased, purchased or otherwise acquired, shall exceed two hundred miles in length in any single instance: Provided, further, that no contract for the construction of a line of railway exceeding twenty-five miles in length shall be entered into or the purchase price of any such railway or other work be paid until after a sum of money for the purpose has been appropriated by Parliament: Provided, further, that any such railway, or other work, when so constructed, leased, purchased or otherwise acquired, shall form part of the Government Railways system and shall be subject to the provisions of the Government Railways Act: Provided, further, that no such railway shall be so constructed, leased, purchased or otherwise acquired unless it directly connects with some part of the then existing Government Railways system.

6. That the Mines Railway by a resolution of the Board of Directors passed at a meeting of the said Board held in the City of Montreal on the 14th day of September, A.D. 1925, unanimously resolved in effect that a lease of the railway may be made to His Majesty the King in the right of the Dominion of Canada in general form of a printed draft lease submitted, subject to such changes therein as may be approved or authorized by the Governor in Council and agreed to by the President of the Company, a certified extract from the Minutes of the Meeting of the said Board of Directors passing the said resolution and covering the same hereto attached marked "A," and a copy of the general form of the said printed draft lease hereto attached marked "B."

7. That the draft lease market "B," amongst other things, provides in effect as follows:

(a) That the Mines Railway proposes to create an issue not exceeding $5,000,000 of Thirty Year 4½ Per Cent First Mortgage Bonds, of which issue it is estimated that approximately $3,500,000 will be required to provide cost of construction of the railway; the said issue of bonds to be secured upon the railway and other properties of the Mines Railway;

(b) That the Mines Railway lease to His Majesty the railway, together with all moveable and immoveable properties of the Mines Railway acquired for the purposes of the railway, or constructed or used in connection therewith, or in connection with maintenance and operation thereof, and also rents, revenues, etc., including corporate and other franchise rights, etc., of the Company, for a term of thirty years;

(c) That the rentals to be paid by His Majesty to the Mines Railway under the lease during the terms to be as follows:—

(a) During the first and every subsequent year of the said terms such sum as shall be sufficient (in accordance with the terms and provisions of the deed of trust or mortage securing the said bonds) to pay the interest and sinking funds upon the said bonds for the time being issued and outstanding, and all other moneys lawfully payable under such deed of trust or mortgage, including accrued interest on bonds purchased or drawn for redemption under the sinking fund provisions thereof. The whole of such rental shall be paid free of all lawful Canadian taxes or deductions of whatsoever nature, and shall at the option of the lessor be payable in the city of New York in gold coin of the United States of America of the standard of weight and fineness existing October 1, 1925, or in the city of Montreal, Canada, in lawful money of the Dominion of Canada, by equal half-yearly payments made five days prior to the respective dates for payment of interest and sinking fund moneys under such deed of trust or mortgage. It is hereby declared and agreed that the lessor intends to assign and may and will assign to the trustee or trustees under the deed of trust or mortgage securing the said bonds, the rental payments to be made for and in connection with said interest and sinking fund payments as in this paragraph (a) provided for; and the lessor hereby requests and authorizes the lessee to make such payments direct to the said trustee or trustees, to be received, held and used by said trustee or trustees as and for payment of interest and sinking fund moneys under said deed of trust

or mortgage; and the lessee hereby covenants to make such rental payments to said trustee or trustees accordingly.

(b) Such sums as may from time to time be paid or payable by the lessor, by way of interest or discount on loans or advances made to the lessor by any bank or other corporation provided that interest on construction items may be charged to construction cost and that bonds forming part of the said issue may be issued in respect thereof.

(c) Such further annual sum or rent as shall be equal to the actual annual expenses for administering the affairs and maintaining the organization of the lessor, limited however to an amount not exceeding one thousand dollars per annum, and also any remuneration for the time being payable by the lessor to the trustees of the said bonds, the sums payable under this paragraph (b) to be paid without deduction on the same dates and times, and with the same option in the lessor as to the place and mode of payment, as the rent reserved by paragraph (a)."

(d) That the Mines Railway shall not, without consent of His Majesty, issue any additional bonds ranking prior to or pari passu with the bond issue first above referred to, except bonds to reimburse His Majesty for work of extensions, enlargements, improvements, etc,, to be made at cost of His Majesty and subject to the approval of the Mines Railway

(e) That His Majesty shall not assign, transfer or part with the lawful ownership of the railway, but may entrust the management and operation of the railway to the Canadian National Railway Company, or any company amalgamated with the last named company or to any other company approved by the Governor in Council, and may make traffic agreements respecting the operation of the railway.

(f) That His Majesty shall pay all taxes, assessments and outgoings respecting the railway that the Mines Railway is liable therefor after His Majesty has taken possession of the railway under the lease, and His Majesty shall assume the contracts and obligations of the Mines Railway.

(g) That His Majesty will join in any mortgages or deeds of trust, hypothecs or other documents necessary to be executed to provide for the issue or the payment or retirement of the said bonds for the purpose only of providing that the payments of rental to be made under the lease be payable and available in such manner as may be specified in such mortgages, deeds of trust, hypothecs, not inconsistent with the provisions of the lease, His Majesty to assume no liability to pay any sum or sums on account of principal due or to become due under any such instruments, except in so far as the rent payable under the lease may provide for such payment.

(h) That His Majesty shall assume and pay, discharge and perform, all debts, obligations and liabilities of the Mines Railway (except the expense of administering the affairs of the Company in excess of the one thousand dollars per annum under rental provided, and except the liabilities of the Company in respect of bond issues) to the extent of the rental provided.

(i) That any extensions, enlargements or improvements, etc., made by and at the cost of His Majesty as above set out, may be taken over by the Mines Railway, if they be paid for by bonds or other securities of the company.

(j) That re-entry may be made by the Mines Railway upon six months' notice after thirty days' default in payment of any rental instalment when due; if rent be not then paid, or upon like notice after thirty days of any breach of performance of observance, if the default be not then remedied and made good to the satisfaction of the Mines Railway; and in case of default in payment of any rental instalment in respect of interest or sinking fund in connection with the said bonds within
all the remaining rental instalments for the full term of the lease immediately become due and payable.

(k) That His Majesty may, at any time upon sixty days' notice to that end, during the term of the lease, acquire the railway upon assuming the bonds then outstanding with interest thereon, the bonds retired by means of the sinking fund payments or by means of the rental payments under the lease to be purchased and retired bonds by the lease and not outstanding bonds.

(l) That every disagreement which may arise between the parties under the lease shall be the subject of settlement by arbitration.

8. That the premier of the government of the province of Quebec has advised in effect that his government agrees to pay the Canadian National Railway Company as operators of the railway fifty thousand dollars annually for the period of five years to meet deficits incurred in the operation of the railway, payments to commence upon the completion of the first year's operation, and that the necessary authority of the Lieutenant-Governor in council and of the legislature of the province of Quebec will be sought accordingly.

9. That the Noranda Mines, Limited, a body corporate, interested in certain mining locations to be served by the railway, has agreed, in case the railway be leased to His Majesty as above set out, to supplement the guarantee to His Majesty of the province of Quebec of deficits in the operating net earnings of the railway for the period of the first five years of the term of the lease, in effect as follows:

That should the said operating net earnings in any one year of the first five (5) years from the initial date be insufficient to cover the rental including sinking fund payable under the said lease, after crediting the fifty thousand dollars ($50,000) per annum agreed to be paid as aforesaid by the province of Quebec, to pay to the Canadian National Railway Company as operators of the railway, within thirty (30) days after the receipt of a summarized statement of account showing a deficit, the amount following—

(a) When said deficit equals or exceeds twenty thousand dollars ($20,000) the sum of twenty thousand dollars $20,000) in cash.

(b) When such deficit is less than twenty thousand dollars ($20,000) the amount of such deficit in cash.

And the Noranda Mines, Limited, in connection with guarantee aforesaid, has agreed to enter into an agreement with His Majesty in terms as in draft agreement hereto attached marked (C) the draft agreement marked "C" hereinafter referred to as the "guarantee agreement".

10. That the guarantee agreement provides, amongst other things, in effect as follows—

That His Majesty agrees:—

(a) To cause the Mines Railway to complete the railway and lease to His Majesty by lease in form generally as set out in draft lease marked "B";

(b) To entrust the operation of the leased railway to the Canadian National Railway Company;

(c) To cause accounts to be kept for all freight traffic moving over the railway and of all freight traffic originating on or destined to points on the railway;

(d) To allocate thirty per cent (30%) of the gross earnings received by the Canadian National Railways from such traffic as operating net earnings to the railway.

11. That the guarantee agreement further provides:

(A) That the Noranda Mines, Limited, agrees:—

5. That should the said operating net earnings in any one year of the first five (5) years from the initial date

be insufficient to cover the rental including sinking fund payable under the said lease, after crediting the fifty thousand dollars ($50,000) per annum agreed to be paid as aforesaid by the province of Quebec, to pay to His Majesty, within thirty (30) days after the receipt of a summarized statement of account showing a deficit, the amount following—

(a) When said deficit equals or exceeds twenty thousand dollars ($20,000) the sum of twenty thousand dollars ($20,000) in cash.

(b) When such deficit is less than twenty thousand dollars ($20,000) the amount of such deficit in cash.

(B) That the liability of the Noranda Mines, Limited, is limited to the amount of the deficit, if any, in any one of the first five years of the terms of the lease, not exceeding $20,000 in any one year, or $100,000 in all.

(C) That the accounts of freight traffic shall be continued for ten years of the term of the lease, and if then the operating net earnings have been sufficient to pay all rentals, including the sinking fund payable under the lease, after crediting the $50,000 per annum payable by the province of Quebec, leaving balance arising from the operation. His Majesty will repay to the Noranda Mines, Limited, without interest:—

(a) When such balance equals or exceeds one hundred thousand dollars ($100,000) the sum of one hundred thousand dollars ($100,000);

(b) When the balance is less than one hundred thousand dollars ($100,000) the amount of such balance.

(D) That if after taking accounts as above provided, there results:—

(a) No payment to the guarantor;

(b) A partial repayment only to the guarantor;

(E) That after fifteens years from beginning of term of lease the taking of accounts of freight traffic shall cease and all claims for repayments remaining unsatisfied waived.

(F) That should the operating of the railway at any time prior to fifteen years be permanently abandoned or service withdrawn continuously for a period of six months other than on account of the closing down of the mines served by the railway or the withholding of traffic by the mining interests, His Majesty shall refund, without interest, any amounts paid by the Noranda Mines, Limited.

12. That the Canadian National Railway Company, through its board of directors at a meeting of the said board held on the 9th day of June, 1925, unanimously passed a resolution as follows—

"That if the said line be constructed by another company (with free right of way on Quebec Government lands) as above referred to and if there be contributed annually for five years fifty thousand dollars by the Quebec Government and $20,000 by other interested parties such payments aggregating $350,000 in all, and if said line were leased for a long term of years to the Dominion Government and by it entrusted to the Canadian National Railways for operation and if said payments are made direct to the Canadian National Railways as representing the said lessee and if the rental under the lease would represent not more than 6% on the cost of construction the directors would approve of such construction and leasing and entrusting"; a certified extract from the minutes of meeting of the board covering the resolution referred to herein attached marked "D".

13. That the Statutes of Canada, 1919, chapter 13, "An Act to incorporate Canadian National Railways Company and respecting Canadian National Railways", section 29 thereof provides as follows:—

29. The company may, with the approval of the Governor in Council, acquire, hold guarantee, pledge and dispose of shares in the capital stocks, bonds, notes, securities or other contractual obligations whatsoever of any railway company, or of any transportation, navigations, terminal, telegraph, express, hotel, electric power or of any other company authorized to carry on any business incidental to the working of a railway, or any business which in the opinion of the board of directors may be carried on in the interests of the company.

14. That the Canadian National Railway Company through its Board of Directors at a meeting of the said Board held on the 21st day of September, 1925, unanimously passed a resolution in effect, subject to the authority of the Governor in Council, that the said Company may guarantee payment of a loan to the Mines Railway of up to $2,000,000 to be secured to the lender by the pledge of, not exceeding $3,000,000 of 30 Years 4½ per cent First Mortgage Bonds of the Mines Railways, the interest to be paid on the loan to be at the rate of 4½ per cent; and that one of the conditions under which said loan is to be made is that payment thereof within one year would have to be guaranteed by the Canadian National Railway Company, a certified extract of the minutes of said meeting of the Board covering the resolution referred to, hereto attached marked "E".

15. That the guarantee by the Canadian National Railway Company of the loan to the Mines Railway has been agreed upon in the general form hereto attached marked "F".

16. That in the opinion of the Minister of Railways and Canals it is necessary and desirable for the more efficient operation of the Government Railways system, that the railway be leased by His Majesty upon terms and under conditions as generally in draft lease hereto attached marked "B" set out and contained, and that it is considered in the interests of both the Government Railways system and that of the Canadian National Railways that the Canadian National Railway Company guarantee payment of the loan to the Mines Railway to extent as approved by the Directors of the said Canadian National Railway Company under resolution as covered by copy of extract of minutes of meeting of the Directors of the said Company hereto attached marked "D" and that His Majesty avail himself of the guarantee of the Noranda Mines, Limited, in terms and under conditions as generally set out and contained in the guarantee agreement, draft hereto attached marked "C".

17. That the Statutes of Canada, 1919, Chapter 13, "An Act to incorporate Canadian National Railway Company and respecting Canadian National Railways", Section 11, thereof provides as follows:—

"11. The Governor in Council may from time to time by Order in Council entrust to the Company the management and operation of any lines of railway or parts thereof, and any property or works of whatsoever description, or interests therein, and any powers, rights or privileges over or with respect to any railways, properties or works, or interests therein, which may be from time to time vested in or owned, controlled or occupied by His Majesty, or such part or parts thereof, or rights or interests therein, as may be designated in any Order in Council, upon such terms and subject to such regulations and conditions as the Governor in Council may from time to time decide; such management and operation to continue during the pleasure of the Governor in Council and to be subject to termination or variation from time to time in whole or in part by the Governor in Council. Any such Order in Council shall be laid before Parliament within ten days after the opening of the next ensuing session, or if Parliament be sitting at the time such Order in Council is passed, then within ten days from the date of said Order in Council.

In view of the facts as above represented and the considered advantage and benefit to the Government Railways system and the Canadian National Railways system, as each in the respective matters may be

affected, and upon the advice of the Deputy Minister of Railways and Canals for Canada, to this end, the Minister recommends:—

(1) That the Minister of Railways and Canals be authorized and empowered to lease the railway from the Mines Railway for a term of thirty years, subject to and generally in accordance with the terms and conditions as set out and contained in draft lease hereto attached marked "B", and to enter into such lease accordingly with option of purchase of the railway as in said draft lease provided.

(2) That the Minister be authorized and empowered to execute the guarantee agreement in general form as hereto attached marked "C".

(3) That the approval be given to the Canadian National Railway Company to guarantee the contractual obligations of the Rouyn Mines Railways Company to repay a twelve months' loan or credit not exceeding $2,000,000 bearing 4½ per cent interest per annum, to be made or granted to the Rouyn Mines Railway Company by the American Exchange Securities Corporation or other corporation or institution to be approved of by the Minister of Railways and Canals, such guarantee, subject to such detailed changes or amendments as the Minister of Railways and Canals may approve, to be in the general form hereto attached marked "F".

(4) That upon the railway being acquired by His Majesty by and under a lease the management and operation of the railway be entrusted to the Canadian National Railway Company during the pleasure of the Governor in Council and subject to termination or variation from time to time in whole or in part by Your Excellency in Council.

The Committee concur in the foregoing recommendations and submit the same for approval.

E. J. LEMAIRE,
Clerk of the Privy Council.

Hon. J. A. ROBB (Minister of Finance): Mr. Speaker, had my hon. friend (Sir Henry Drayton) confined his remarks to the question of the legality of the charter and the right to construct the Rouyn railway, I would not have attempted to reply, because I have learned, through a number of years of experience in parliament, that it is useless for a layman to get into an argument with a lawyer and particularly a man well versed in railway law like my hon. friend. I have never found in the seventeen odd years that I have been in parliament that lawyers can agree amongst themselves; they can always put up a fair argument on either side of the question. But when my hon. friend attempts to show, or rather, because he did not even attempt to show, to insinuate that some grave pre-election scandal was associated with the building of this railway, I hope to convince even my hon. friend that he is very much in error in his conclusions.

Hon. members will recall that away back in 1922, 1923 and 1924, there were reports of great mineral development in the northern part of Quebec. In 1923 and 1924 particularly, reports came to us of rich finds in that part of the country, and representations were made, not only to the Canadian National Railways, but to other railways, that they should extend a line into that district. In 1924, Mr. Timmins of the Hollinger mines approached the president of the Canadian National Railways urging him to build a line into that section of the country. A survey was made but the railway directors and the president were not satisfied that the building of a road in there would be a profitable venture.

Shortly afterwards another discovery was made of the Noranda mines and again they were approached to build a road. Representations were such that engineers were sent there to make a very careful survey of the possibilities of that section of country. It was discovered that there were very rich mineral deposits and there was a rush not only of miners, but of railways to get into that district. It is well known that an Ontario railway that has made it very profitable to the province at large by going into the mining country was anxious to build a line, and other railway companies were similarly anxious. The Canadian National Railways made a survey, and on reports made to them it was indicated that it was questionable whether, even with the prospects of building a 500 ton smelter, the road would pay at first. The government of Quebec was approached. The people of Quebec, like the people of Toronto, appeared to be anxious that feeders going into this district should be feeders running into their different cities. I am not going into that because it is natural that each should want to get the business. The government of Quebec were asked for a railway land grant and they said: We will not give you a railway land grant, but we will give you a grant of some $50,000 a year. I will come to that a little later on. Early in the summer of 1925 a location survey was made of this road, because of additional proof coming out of rich findings in that part of the country.

Sir HENRY DRAYTON: By what engineers was the survey made?

Mr. ROBB: By the engineers of the Canadian National Railways.

Sir HENRY DRAYTON: That is right.

Mr. ROBB: It is true that last session the Minister of Railways, from his place in parliament, declared that the road if built would be built by capitalists, and I am prepared to prove that it is being so built. I will give the names of the directors and I am sure my hon. friend will be satisfied that they are all responsible men. The hon. gentleman laid very much stress this afternoon and again this evening upon his allegation that this was a dummy company. I am sure he was

not serious in that. As a lawyer who has organized a good many companies he knows that the names are never given of those who are really behind the concern.

Sir HENRY DRAYTON: Did the minister read the lease?

Mr. ROBB: I have not read it.

Sir HENRY DRAYTON: If the minister reads it he will agree that the company is a dummy one.

Mr ROBB: My hon. friend knows that in the organization of companies the method adopted is as I have stated; the names of clerks and stenographers in the office are used so that the public will not know who are behind the concern. But I propose to show just who the directors of this company are in order that the House may know what class of men are responsible for it.

Mr. MEIGHEN: What difference on earth does it make what the names are in the light of the terms of that lease?

Mr. ROBB: My right hon. friend will not drag me away from the argument which was advanced this afternoon by his colleague, who attempted to show that this was a straw company. The directors of the company are these—Mr. Robert Adair of Montreal, to begin with. Will anyone say that he is not a respectable and a leading financial man in the city of Montreal?

Sir HENRY DRAYTON: Will you tell us what stock he has in the company?

Mr. ROBB: I have no idea.

Sir HENRY DRAYTON: Not one cent.

Mr. ROBB: Surely my hon. friend is not serious. Is there any company who would have a director on their board if he had no stock?

Sir HENRY DRAYTON: I am absolutely serious. Having read these documents I know that no money could have been put up; if there was, then the documents are misleading.

Mr. ROBB: Another director is Mr. Charles M. Hart of Montreal. Does anyone suggest that he is not a responsible and a respectable business man of that city? Mr. Donat Raymond is also on the board, and he is proprietor of the Windsor hotel in Montreal, being also a large shareholder in the Hollinger mines. He has large interests in the city of Montreal and can pay his way.

Sir HENRY DRAYTON: They all have money, of course.

Mr. ROBB: The bond people who are financing the organization in New York are represented on the board by Mr. Harold Fowler and Mr. Clifton M. Miller of New York City. These gentlemen are associated with the bank which is doing the financing. Right here I want my hon. friend to withdraw his insinuations; I am sure he will when he has heard me. He tried to create the impression that the contract was let at a time when it would be of great value as a campaign fund for one of the parties. Now he has had some experience in the running of elections and I would ask him, of what use is a campaign fund of this sort where the work done, which I suppose would consist in getting out the ties and clearing the roadway, represents a total amount paid out up to January 31, 1926, of only a little over $130,000?

Sir HENRY DRAYTON: I do not mind answering the question at once. That certainly would not add very much to my hon. friend's fund, but I would ask him a question in reply: why was there any necessity for arranging for $2,000,000 of cash? It looks to me as if anything that might be done was scared off by the Journal.

Mr. ROBB: The road is to be leased by the Canadian National Railways and my hon. friend wants to know why these people were controlling the construction of it and had men there. The reason was that no padding of accounts should take place and that there should be no extra cost attached to the building of the road. They wanted the cost to be reasonable and the railway company insisted that if they were to operate the road and pay interest on the bonds, which would be the rental they would pay, they should know exactly how much money went into the building of it. They therefore have complete control of the expenditures and it is all subject to auditing by the auditors of the Canadian National Railways.

Mr. MEIGHEN: Does the government also supervise the expenditure the same as has always been done in the past in connection with government guarantees?

Mr. ROBB: I do not care to stir up some of the government guarantees of my right hon. friend.

Mr. MEIGHEN: I am not asking you to do so. Answer the question.

Mr. ROBB: My right hon. friend will not drag me into that to-night. I want to emphasize this fact, that the directors whose

names I have just given are on the board not as representatives of the Canadian National Railways nor of the government but as representatives of the bankers who are putting up the money to build the road. I could not follow my hon. friend (Sir Henry Drayton) this afternoon in his reference to certain payments which were to be made, not exceeding $1,000 per year. What are these payments? It is provided that after the road is built and everything is cleaned up these directors shall not get more than $1,000 a year, which sum is to be divided among the whole group of them. That is my understanding of the matter.

Sir HENRY DRAYTON: But they do nothing.

Mr. ROBB: The cost of the road for the 45 miles is to be $2,655,000; it is to be financed on 4½ per cent 30 year bonds, and no bonds whatever are to be issued until the road is complete and ready to be handed over to the company for operation. They have arranged with the bankers who are advancing the money that they shall provide it in sums of $500,000 as required, and all they are paying is 4½ per cent.

Sir HENRY DRAYTON: The bonds to be deposited with them.

Mr. ROBB: I suppose.

Mr. MEIGHEN: The bonds are issued to the bankers; read the letter.

Mr. ROBB: My hon. friend has had some experience as Minister of Finance and his leader had a long experience in different departments of the government. Hon. gentlemen opposite were in power when railways were being built, and I would ask them whether in their time the money was provided at as low a rate as 4½ per cent.

Sir HENRY DRAYTON: We always got the money at the lowest current rate and I hope my hon. friend is doing the same. The minister is missing the entire point, however. He admits this guarantee in the lease; why did he not get his legislation?

Mr. ROBB: I tell my hon. friend that I am not going to be drawn into any legal argument on the question.

Sir HENRY DRAYTON: It is not a legal question; it is simply a matter of morals, and on that ground the minister is perhaps better fitted to speak on the question than any of his colleagues. Should not the ordinary procedure have been taken if there was nothing to hide? Why was it not done? There was considerable time in which to do it, for the minister's men had the matter under review twice.

Mr. ROBB: I repeat, I will not be drawn into a legal argument with my hon. friend.

Sir HENRY DRAYTON: That is not legal.

Mr. ROBB: I do not say he is right, I do not say he is wrong; it is purely a legal question.

Now, Sir, as said a moment ago the funds for the construction of this railway are not being provided by the government of Canada, but by a banking institution in New York. The directors I have named represent that institution. Before undertaking to operate the road the chairman and board of directors of the Canadian National Railways secured an agreement from the government of the province of Quebec that it would give a bonus of $50,000 a year for five years, and from the Noranda mines that they would give an additional bonus of $20,000 a year for five years, or a total bonus of $70,000 a year for that period. The traffic experts have carefully surveyed and investigated the local conditions, and they estimate that the road will carry itself with this subsidy, and that within five years at most it will return a profit to the company. Because it must not be forgotten that every person familiar with the mineral resources of that country agrees that the prospects of a railway being a profitable undertaking are exceedingly good. That is why there was not only a rush of miners into the district, there was also an attempted rush of railways. I do not say that my hon. friend is finding fault because the road which the nation had to take over and operate got a branch line into the Rouyn district before any other roads, but I appeal to the good sense of my hon. friend as a railway man to bear me out when I say that a trunk line railway cannot pay unless it has feeders. This line looks like a pretty good feeder for the Canadian National Railways.

Let me remind the House that the government does not undertake to say where railways are to be built. It accepts the advice of the chairman and directors of the Canadian National Railways on railway policy. And is there anyone in this House who will say that the chairman of the Canadian National Railways is not a good railway man? He has had his certificate of ability not only from the railway officials throughout the country; he is acknowledged by my right hon. friend

as a good railway man. Looking into the traffic possibilities, he and his board of directors unanimously said to the government: This is a good feeder for the Canadian National trunk line, and we recommend to you that we should have authority to build the road.

I am not going to detain the House. I think I have shown that this was not a dummy company, that on the contrary it was a real company composed of real financial men; that the money was advanced by bankers in New York, who had a local board of directors looking after their interests; that the most careful survey was made of traffic possibilities; that provision is made for a most careful examination of the expenditures upon which the Canadian National Railways will have to pay rental; that the money was obtained at reasonably low rates of interest—that is admitted by my hon. friend—and that, in a word, everything was done above board. Well, what more does the House want? I say hon. members can have something more. This matter might properly be referred to the House Committee on Railway Estimates that is appointed each year. There hon. members will have an opportunity of calling in Sir Henry Thornton, the traffic experts and the auditors, and we will invite the fullest and freest examination into the accounts of this railway that is to be leased by the Canadian National Railways.

Sir HENRY DRAYTON: Mr. Speaker, my hon. friend promised to answer my questions as soon as he had finished his address. I have two to ask him. What was the date of the contract with the government of Quebec for the $50,000 guarantee? I have not been able to find it in the papers. Or is that still in the air?

Mr. ROBB: I did not think I had anything more to say about this matter, but a memorandum was placed before me at about six o'clock, which I have not yet had much time to look into. It states that the government of Quebec had previously agreed to give $50,000 per annum. I thank my hon. friend for asking me the question, for it gives me an opportunity of answering one of his statements. I said a moment ago I did not want to get into any controversy with lawyers. My hon. friend questioned the right of the chairman and his board of directors to enter into this contract.

Sir HENRY DRAYTON: No, the government's action.

Mr. ROBB: I am going to quote him the authority of a gentleman that at least my right hon. friend will not question, because he is the counsel upon whose opinion my right hon. friend relied when he loaded the whole railway on to this country. I refer to Mr. Ruel, who is the vice president and legal adviser of the Canadian National Railways.

Sir HENRY DRAYTON: Will my hon. friend just allow me—

Mr. ROBB: I will quote this legal opinion first, and then answer my hon. friend. Mr. Ruel's opinion is expressed in the following terms:

> There is no question that under the provisions of Chapter 16 of the Statutes of Canada, 1915, the crown may lease the line of railway specified in the draft lease, even before completion, and may of course agree to pay rental from the date of the lease. The language of the Act (Statutes Canada 1915, chapter 16, Section 1) covers "any line or lines of railway or any railway work in the province of Quebec." The line under construction is unquestionably a railway work.

That is the considered opinion of the gentleman who was the legal adviser of my right hon. friend.

Sir HENRY DRAYTON: Will my hon. friend give his opinion on what I have charged, namely, that this government had no right to construct this line? He is speaking of the leasing of a line which does not exist.

Mr. STEWART (Leeds): Will the minister answer two questions?

Mr. ROBB: One at a time, please.

Mr. STEWART (Leeds): Who will ultimately own this railway?

Mr. ROBB: I have not read the contract.

Sir HENRY DRAYTON: The lease will show it—the company.

Mr. STEWART (Leeds): The company will own it, will it not?

Mr. ROBB: I have not read the contract.

Mr. STEWART (Leeds): And who is paying for it?

Mr. MEIGHEN: The bankers.

Sir HENRY DRAYTON: And we pay the bankers.

Mr. ROBB: The bankers are paying for it, and the Canadian National Railways are leasing it.

Mr. MEIGHEN: Who pays those people?

Mr. STEWART (Leeds): Are not the rentals sufficient to pay the cost of the railway?

Mr. ROBB: To pay interest on the investment.

Sir HENRY DRAYTON: And sinking fund.

Mr. SPEAKER: Order.

Mr. STEWART (Leeds): As I understand it now, the company will ultimately own this road, and the Canadian National Railways—the Canadian people—will pay for it.

Mr. ROBB: Mr. Speaker, my hon. friend is another of the good lawyers in this House, and I suggest that he present a legal argument on this legal question.

Mr. STEWART (Leeds): I am asking for information.

Mr. HENRI BOURASSA (Labelle): Mr. Speaker, when I left the chamber this afternoon the House was discussing the motion of the member for Nelson (Mr. Bird) that the previous question should be put as soon as possible, that is, as soon as allowed by hon. gentlemen opposite. As I may be absent from the House to-morrow, I should like to say in a few words what my position is on that motion, and what vote I will cast if it comes to a division when I am here. I do not purpose to take up any of the arguments that have been raised either before or during this debate. I shall merely confine myself to the attitude which I feel I must take in regard to the motion.

I gave my vote to maintain this government in power in preference to the opposition. That was in absolute accord with the attitude I took before the people who elected me to this House. Secondly, I voted against all amendments proposed by the opposition, which appeared to me as mere catching motions for election purposes, and I propose to do so in future. Were hon. gentlemen opposite on this side of the House, in the same position as my hon. friends to my left, I would do exactly the same thing. I also voted in favour of the motion made by the government to adjourn the House after the Address is adopted, because the ministers claim that they must have a recess to enable them to reorganize their government and to carry out the mandate which has been given to them, temporarily at least, by this House.

Now, Sir, it is one of two things: either the government needs that adjournment, or it does not. If the government requires that adjournment, then it should take the means to obtain it. If it does not require it, I do not think it should shelter itself behind what I would call a side motion, which does not bring on the adjournment. I said at the time I voted for the adjournment that the House would be transformed into an electoral committee, and there would be no use in our being here. I think this has been amply justified. But I do not think the motion of the hon. member for Nelson (Mr. Bird) at all advances the position of the government or the affairs of the country, nor does it give the House a chance to do anything useful; therefore I propose to vote against that motion. If the government needs the adjournment, I am prepared to vote for a straight motion for closure, which they should bring in if they require it. If they do not require it, then why take advantage of a process which simply lengthens the debate, and, although it prevents hon. members on the other side or hon. members of any group in this House from presenting further amendments to the Address leads us nowhere.

Some references have been made on one side or the other about liberty of speech. Quite so: liberty of speech, if it leads to something, is very desirable; but if I read well what is in the minds of the people outside of this House, I think they are more concerned about parliament doing something than about members of parliament talking individually or collectively. I do not begrudge either party all the advantage they may take; but I humbly submit that there is more at stake in the present situation than either the fate of the Liberal party or of the Conservative party. I have been out of this House for many years. I have kept in contact with people who, I think, have a public conscience, and who are becoming disinterested more and more from day to day and more separated from party shibboleth, from party spirit. It is not, I repeat, the fate of the Liberal party or of the Conservative party which is at stake: it is the confidence of the people in the usefulness of our public institutions. We have been here a month and a half. I have indulged in my share of the sin of talking, but I do not propose to repeat that sin too often, or to make the sin too heavy. Therefore, I simply state to-night that I do not think the motion of the hon. member for Nelson will lead us to any practical point. I do not begrudge him the right to make his motion, and I do not dispute the sincerity of his purpose. I do not try to ascertain whether he is acting under agreement with the government or not. I take him at his word. I believe in his word of honour, and as a matter of fact I believe that if he had consulted the government they would have advised him he was not rendering them a service by proposing that motion.

Some hon. MEMBERS: No, no.

Mr. BOURASSA: Well, at least, that is my point of view. I do not think the government

would make a happy move or would place themselves in a strong position morally or numerically if they tried to find shelter under the motion proposed by the hon. member for Nelson. To adopt such a motion would not improve the position of the government and would not enable them to reach the point they are aiming at, namely, to obtain the recess which they claim to be absolutely necessary for their purpose. Such a course would put them in the humiliating position of accepting a proposition dictated by another section of the House.

I am prepared to vote against the motion proposed by the hon. member for Nelson, but I am also prepared—and I state it quite frankly—to take my responsibility in voting for a motion for closure, if proposed by the government, as it must be under the rules, in order to reach something practical.

Then, we would have the recess, and the government could prove the advantage and necessity of having that recess to complete their membership and come back to us on the fifteenth of March with their policy. Then, we will judge them by that policy, and we will also judge hon. gentlemen opposite on their attitude in regard to measures submitted by the cabinet.

Mr. W. W. KENNEDY (Winnipeg South Centre): Probably I could suggest to the hon. member for Labelle (Mr. Bourassa) an answer to the question which he has propounded to this House. He advances the argument that the hon. member for Nelson (Mr. Bird) could not have sought counsel with the government in taking the action that he did, because if he had done so, and if they wanted to close the discussion in this House, they would have introduced closure and would not have adopted closure by the less direct method. I should like to say if the hon. member has followed the conduct of this government in the past four years he would have observed that the record of the government is neither one of courage, nor of direct action. This is not a government having the courage to do what it wants to do, but as enunciated by its leader, the Right Hon. Mackenzie King, on many platforms, it believes in the policy of the middle way, the policy of political expediency; I suggest to the hon. member for Labelle that perhaps, following that same policy by which it has been guided for four years, the same policy which has put it into the dilemma in which it finds itself to-night, by virtue of that same sort of policy it finds itself supporting the motion of the hon. member for Nelson.

In view of what the hon. member for Labelle, an old and distinguished member of this House, has said as to prolonging this discussion, I naturally feel, as a new member, a little diffident about continuing the discussion further. But, Sir, were it not for the circumstances under which the government of the day seeks to adjourn this House, I would not at this late day and at this late hour take part in the debate. What are the circumstances under which the government seeks to adjourn the House? A committee of this House is investigating the gravest charges which have ever been preferred, I understand, in this House of Commons for two generations and under these circumstances the government asks this House to adjourn, and, as I am informed, to leave that committee without the power to function effectively. If there were no other reason beyond that, Sir, I submit that that in itself is reason enough, not only for members on this side but for members in all quarters of this House, to take part in this debate with the object and with the intent that this government shall continue to sit; that this parliament shall continue in session so that witnesses may be examined here and be forced to give the evidence which is necessary in order that the committee may effectively proceed.

Mr. Speaker, in venturing into this debate I am conscious of many handicaps which are normally incident to the first effort of a new member of this House. Some thirty years ago I believe, Sir, you yourself, were in the position of a new member, and like myself, "with all your troubles to come." Perhaps when I recall those days to you, you will be able to recall some of the handicaps to which I refer.

Let me say, first, that there is borne in upon me at the beginning of my speech a consciousness of the comparative futility of talking at all. I say that for this reason: I have heard in this House, and you have heard, members of this parliament of mature experience bring forward matters of national interest and of national concern, bring them forward and elucidate them with outstanding ability; yet when the time came to vote no weight of argument, no amount of logic, no reason would stand up against the crack of the party whip. Does this House desire an illustration? I will give it two. We had, in the first instance, in this House a motion tantamount to a motion of want of confidence in the government. We heard expressions of opinion from all corners of this House; we speculated naturally as to the result. I for one when I heard the hon. member for Southeast Grey (Miss Macphail) declare that she had no confidence in this government, thought: "There

is one against them". But like many others, I counted wrong. When I heard stated in this House the opinion of the government entertained by the hon. member for Rosetown (Mr. Evans), and as expressed by him before he came down to this House, I thought: Well, the hon. member for Rosetown will not vote confidence in this government—and so with many others. Yet when the time for division came, all but five of the Progressive group in this House—and mark you, all but five of those hon. members who throughout the campaign recently closed talked and fought against this government and declared to their constituents that they had no confidence in it—all but five of them stood up in this House and voted confidence in the government.

In passing, let me remark as to the attitude taken by these five, without naming them. Within so short a time as I have been in politics I have come to realize that it takes considerable courage to get up in this House and vote against your party; and when five members of that group virtually take issue with the other members of it, I must say that I find only admiration for their courage.

One other example. We had a vote yesterday on the question of the treaties contracted by this government. Everyone in this House is aware that the amendment voted on referred particularly to the Australian treaty. I am informed and believe it is correct that when the same Australian treaty came up for discussion before in this House every one of the present members of the Progressive party who then sat in this House voted against it; yet when the vote came yesterday they all voted tantamount to endorsation of the treaty.

It appears, therefore, that argument is futile; but if futility of argument as affecting the result were a conclusive reason as to whether or not a man would speak in this House, I submit that the record would not contain nearly the number of speeches that it does; and when I say that I refer not to one side of the House alone.

10 p.m.

Another handicap. Sir, is the attitude, of which I do not complain, of the members opposite, and it applies to a new member speaking either on this side of the House or on the other side. A new member realizes that he is facing old and experienced parliamentarians who are watching, perhaps in a kindly way, but nevertheless watching his every step, and as he proceeds, questions apparently innocent in themselves are propounded with the object that the feet of the unwary may be trapped. The only armour that a man can carry against such tactics is the armour of belief in his cause and sincerity in the arguments he puts forward. I hope, Sir, whatever else I may be accused of, that hon. members in all parts of this House will concede to me when I am through at least this measure of merit, that I have tried to be fair in my discussion of this Address.

There is also the matter of one's friends. After all, one's friends have a right to be critical, and they are.

Through the obscurity of all this maze of difficulties there comes one beckoning light. That, Sir, is the kindly features and the gracious mien of the honourable and honoured Speaker of this House. It may be a platitude to say that first impressions are lasting, but in this case it is indeed fortunate, for whether my time in this House be long or short, I shall carry with me always pleasant memories of your attitude towards the young members of this House, and of the kindly reception accorded to new members by this House on all sides and from all quarters.

I had heard, Sir, before the election and during the campaign something of the Liberal party. I had heard some pretty harsh things about them. I had heard too about many hon. gentlemen opposite whom I now see, but I have since learned not to think so badly of them, and, Sir, having become acquainted with you, by virtue of your position, perhaps a little better than with most of the others, I am encouraged to hope that, as you came from out among their ranks, perhaps when we get a little better acquainted we shall find many, many other hon. gentlemen whom we shall be delighted to know. I have met some of the hon. members outside of this House, and it has been a distinct pleasure. I must remark though, Sir, that in this House they seem to be an entirely different kind of people from what they are outside. Outside, in the corridors or at meat, they are human, likeable, lovable, but here they seem to be operating under some strain, under some handicap, under some overshadowing cloud. Then I endeavoured to speculate as to what the reason might be, as under the caucus system, no one outside of one's own caucus is allowed to know what takes place at those meetings. It has occurred to me that it might be because of this irksome alliance which they seem to have made with the Progressive party.

Objection, I think, has been taken in this House to their relationship being called a coalition. Some have called it co-operation. I saw a cartoon the other day where it was pictured as "A marriage of convenience". I

think, though, that when they call it a "marriage" they go a little bit too far. I doubt whether it is as permanent even as a temporary marriage. I doubt whether a decree of divorce will be necessary to put an end to it. Perhaps, Sir, it might be more properly described as a liaison. I do not know whether the hon. member for Brandon (Mr. Forke) will object to that term. If he does object he hides his feelings very well indeed for he smiles pleasantly as he sits opposite to me.

In any event, whatever the alliance may be between the government and the Progressive group, it is one that is very definite in its working whenever a division occurs. No amount of denial from members among the Progressive group or from any other part of this House will prevent the country at large from believing that there is a distinct working alliance for a certain purpose, and that purpose is to maintain the Liberal government in power. It is not by chance that hon. members of the Progressive party, or of the Labour group, who time and time again have expressed opinions very critical of the party in power; it is not by chance, I say, that hon. members who have so expressed themselves support the government in every move in this House.

Complaint has been made by the leader of the Progressive party, the hon. member for Brandon, of articles appearing in the newspapers throughout this country imputing to the party of which he is leader reasons for supporting the government which do not reflect credit upon it. He has complained of that somewhat bitterly. Complaint has also been made of certain terms used in this House by which it was attempted to describe the reasons, which in the opinion of the hon. members in question, actuated the majority of the Progressive group in supporting the government on the motion for the adoption of the Address in reply to the Speech from the Throne. Well, hon. members may be prevented from using here such words in the English language as, perhaps, most fittingly describe their thoughts. Yet throughout the length and breadth of this country the people will not be prevented from placing their own construction upon the situation here. If such a construction has been placed upon it by hon. members of this House, or by the people of Canada from the Atlantic to the Pacific, I say to the hon. member for Brandon that he and his party have no one to blame but themselves. I am not finding fault with them for resenting the construction which is placed upon their conduct. However, the reason lies at their own door. Any time a man in either private or public life attempts to sail or fight under two separate colours, there is bound to be some misconstruction as to his real intent; and from hearing the speeches of the hon. member for Brandon in this parliament, as well as reading those made in previous parliaments, I can come to no other conclusion than that he is an out and out supporter of the Liberal party at all times. Therefore I say that if the hon. member for Brandon were sitting in his right place here it would not be at the head of the Progressive group, but where he is sitting now, just opposite me among the government benches. I will name another hon. gentleman, the hon. member for Lisgar (Mr. Brown). The hon. member for Lisgar has no more right to the name "Progressive" than I have. If he were as open and frank as he would lead us to believe he is, he would get up from his seat, walk across the floor, and take his place with the government on that side of the House. Coming to the hon. member for Rosetown (Mr. Evans), who sits here and declares that he believes the best policy for Canada is a policy of absolute free trade, I ask hon. gentlemen, I ask the members of the Progressive party, what right has such a man to a place in the Progressive ranks? He does not belong there; I submit he should be in a party by himself.

I think it was the hon. member for Nelson (Mr. Bird), who deems himself, apparently, to be a reincarnation of Robin Hood, who gave us a lecture last night upon the duty of man in this world. He himself declared that he was like the mythical Robin Hood. He was actuated by a consuming desire to right wrong wherever it might be found, and to uphold the weak. To use his own classic phrase, "he was always for the bottom dog". That has long been the express attitude of a number of members—I do not say of all—of the party to my left. Since they came into being they have always posed as being the one party that was in parliament to right the wrongs of the downtrodden of Canada; the one party that did not believe in election campaign funds; the one party that did not believe in election caucuses, but did believe that the older parties had outgrown their usefulness; and that they themselves were in parliament to purify politics. But has their conduct fulfilled their promise? Some of the hon. members of the Progressive party may think I am unfair to them, but I will state my reasons before I get through.

Mr. FORKE: You are all right.

Mr. KENNEDY (Winnipeg): Perhaps I may take some liberties with the Progressive party, because I come from the part of the country that is just on the fringe of their field of operations. I have the honour of representing the constituency of Winnipeg South Centre. During the recent campaign, and for the last number of years, I have had the privilege of moving about and mixing with them—sometimes fighting with them, sometimes against them—and I will say this: I believe that in their hearts most of them are sincere, but for what purpose? Sincere in righting the wrongs of Canada as a whole? Sincere in bearing up the weak of Canada as a whole? I say no. I say that the Progressive group is fundamentally and in fact an economic group that has for its definite object the advancement of the interests of that particular group, the grain growers of western Canada. I doubt if in their heart of hearts many of the Progressive members will disagree with that. I want to say more: I do not blame them as an economic group for endeavouring to advance their interests; but let them frankly acknowledge that they are an economic group in this parliament for a definite purpose in the interest of that group, and then we shall know where they stand. That is why I say that they are fighting under false colours.

Now I come to the Speech from the Throne. While I have read it, I do not say that I understand it all. Part of it I understand, the rest of it I can only use as a basis for assumption. I will not say that there is no merit in the Speech from the Throne. It foreshadows certain legislation with which I am in accord, and I propose to advance some reasons why I am in accord with those measures. But first, what is the purpose of the Speech from the Throne? What is it intended to contain? It appears to me that the Speech from the Throne is the vehicle through which the Prime Minister, after consultation with his trusted ministers constituting the government, presents to parliament a forecast of the legislation which the government intends to introduce, based upon the national needs of the country. Accepting that as the test of what we should look for, I am going to point out later on some things in which I think it is lacking. This Speech does not find favour with many in this House because it does not represent the considered judgment of this government translated into terms which would indicate what it thinks itself is best for this country, and because it does represent largely such legislation as this government believes would attract to it sufficient support in this House to pass the Speech from the Throne and thereby clothe it with some semblance of authority as a government. I suggest that it is an obvious compromise between what the government of this day thinks Canada needs and what the Progressive group, assisted by the Labour and Independent groups, demands should be placed in the Speech. In saying that I am not finding fault with the Progressive party as an economic group. Once we get the point of view of what they are here for, not so much blame attaches to them. Once we take the view that they are an economic group here for a definite purpose, namely, to get legislation which they desire to have enacted, I have little fault to find with their attitude. In fact, I am not surprised at the stand they have taken, because many of them have intimated as much.

The other night the hon. member for Lisgar (Mr. Brown) likened the Speech from the Throne to a berry patch, and so did the hon. member for Nelson (Mr. Bird). They said: If we find the berry patch offered by the Liberals more alluring than that offered by the leader of the opposition (Mr. Meighen), no blame should attach to us for going to the better berry patch. It is true the Speech from the Throne as originally brought down did not contain anything by way of special allurement to the Labour group who are represented in this House by two friends of mine from the city of Winnipeg. But they were not asleep; matters did not go very far until the hon. member for Winnipeg North Centre (Mr. Woodsworth) came into this House with a letter from the Right Hon. Mackenzie King before the first vote was taken, promising his party what they want. If they are here as another economic group seeking certain legislation for that group, I do not know that any particular blame attaches to them. But the sum and substance of the whole matter is that this Speech is not such a one as represents the studied judgment of the government; it is a Speech such as by inducement shall win the support of two other groups in this House, which, during the election, were antagonistic to this government.

I wish to refer briefly to the matter of rural credits as suggested in the Speech from the Throne. I believe the question of rural credits is one of primary interest to the farmers of western Canada. I believe it is legislation that is essential in the interest of the farmers, not only of western Canada but of the whole country, for this reason: Our banking system as it is to-day is modelled for the purpose of supplying, not long term, but short term loans. You go to the bank to borrow money

and, if you get a loan, you get it on your note for a term of three months. At the end of three months, you either pay off the note or renew it with a renewal charge, and so on until it is paid off. That is all right in mercantile business and other lines of industry; but in farming there is only one occasion in the year when the farmer, out of his produce, can meet his liabilities at the bank. Although some of my friends may not give me credit for knowing much about the farming industry, I grew up on a farm and I know something about farming. When a farmer needs money to put in his crop in the spring, he goes to the bank in March for a loan. Although he borrows the money until June, he knows and the banker knows he is not going to pay it back in June. He pays a renewal charge and the loan is carried forward until September, although the banker knows and he knows that he is not going to pay it back then. Then it is again renewed until December. Thus, you have three renewals, all with expense to the farmer, with this absurdity; that throughout all these proceedings both parties to the transaction know that the money will not be paid on the date originally agreed upon.

Do hon. members need any further proof that the farmers of this country need some other system of borrowing money? They need a system of loans placed at their disposal whereby they know, when they borrow money, they will obtain it for the period required and they can pay it back when they say they will. That, I submit, is the basis of the demand for rural credits which, shortly, is some system of placing at the disposal of the rural parts of this country credit whereby the farmers can obtain money upon such terms as to time and repayment as will be suitable to the conditions of their industry. As to what form that legislation will take, this House has no inkling. It is true that the leader of the House (Mr. Lapointe) has been asked for information on a number of occasions and to all such questions he has blandly told us to wait until the legislation is brought down. Perhaps that is not an unreasonable answer if the legislation is not ready; it is not an unreasonable answer if the government does not yet know what it intends to do. But probably some of us on this side of the House may be pardoned if as new members we are labouring under the impression that when a government proposes legislation in the Address it knows just what that legislation is going to be.

However, I will say that in the province of Manitoba we have had some experience in the matter of rural credits, and if the proposed legislation which this government intends to bring down is of the nature of that which has been in force in Manitoba I for one shall vote against it. In that province the money was placed at the disposal of the farmers in such a way and on such terms that it was, frequently, not the thrifty farmers who needed it, that got it, but those who happened to operate in certain cliques and circles. The result has been that although the law has been in operation in Manitoba only a few years the government of the province is obligated for loans to farmers there to the extent of $3,000,000 of which already $700,000 is gone, a loss to the province. The hon. member for Brandon (Mr. Forke) nods his head and he knows that I am right. I think he knows too that before the end of the story at least half of that $3,000,000 will have been lost to the province.

Mr. FORKE: I do not want to interrupt, for I am enjoying the hon. gentleman's speech, but I do not like the expression that certain cliques are operating in the province. On second consideration the hon. member will not repeat that expression. I know that mistakes were made but I do not think the hon. gentleman should say that.

Mr. KENNEDY (Winnipeg): I do not want to be offensive to the hon. member and possibly if I explain what I mean it will serve the purpose. Under that system of rural credits, rural credit societies were formed in various municipalities. A board was created in the municipality consisting, I think, of nine members or directors. If I were a farmer seeking a loan in the province I would have to go to the society in my own municipality and put in my application to that board of nine. Now the intention of the legislation was good. The government took the view that no better advice could be obtained as to the desirability of any particular loan than the advice of nine men who were right in the heart of the municipality where the borrower lived. And in theory that is all right. But hon. gentlemen know that municipal politics are just as heated sometimes as provincial, and just as keenly contested as Dominion politics; under that system a temptation crept in among the members sitting on the board to pass loans, not on the strength of the security offered but because of other considerations. I do not think that the hon. member for Brandon will suggest that this phase of the question was entirely absent from the rural credits scheme in Manitoba. I do not say that it has been widespread, but just the same it is one of the weaknesses of

the system. In any event the result of the operation of rural credits in that province has been an obligation on the part of the government for $3,000,000, of which as I have already said $700,000 has been dissipated, and before the thing is through at least half of that total sum will represent a loss to the province. And by whom will that loss be met? It will be paid for by the taxpayers of the whole province, not only by those engaged in farming alone but by people in all industries throughout Manitoba. They are the ones who will have to pay that $1,500,000 for the benefit of a certain number of farmers who borrowed and defaulted in payment. If that were all it might not be so bad, but there is another aspect.

In many cases, instead of being an assistance to the farmers themselves for the purpose of developing their farms and improving their position in the community, the loans have only served to put them deeper into debt from which they will never be free, so that ultimately when the government endeavours to realise on the loans they will find that many of these farmers whom they sought to help have been ruined by the very generosity extended to them and will be driven from their farms. The hon. member for Brandon will, I think, agree with that. That is why I say at this stage it is impossible for any member to deal intelligently with the question of rural credits.

There is another matter that interests me and which I almost hesitate to mention because of the warning I received in the election just past as to the attitude that would be displayed by members from the east. You can guess, I think, that I am referring to that old political chestnut, the Hudson Bay railway. I am quite aware that that measure will receive support from a number of members on the opposite side of the House while it will be opposed by some other hon. gentlemen over there. I am aware too that it will be opposed by some members on this side while it will receive support from others in all quarters of the House. On the question there is a great diversity of opinion. When the matter comes up for consideration it will be the duty of those of us who support it to bring to the attention of the House all those reasons which we can fairly urge in its behalf. I am not going to go into details now, as I hope to have the privilege of discussing the subject on a subsequent occasion. I shall simply touch upon it in passing. I want to give you the picture of the Hudson Bay railway as it stands to-night. We are sometimes told, "You members from the west want this Hudson Bay railway whether it is feasible or not. You want the Dominion of Canada to dip into the treasury and spend millions of dollars on a thing that is economically impossible".

Well, let me first ask those hon. members who are of that mind this question: by whom were we encouraged to believe that the Hudson Bay railway was a practical proposition and one that would be carried to completion? Is the answer to be found on one side of the House alone? I say that if you will examine the records you will find that right back to the days of Sir John A Macdonald every Prime Minister of prominence of whom I know has at one time or another expressed himself in favour of that railway; and not once or twice, not ten times, but on scores of occasions members of parliament from both sides of the House have gone to the west at election time and definitely and explicitly promised the completion of that railway.

What was the stand of the late Sir Wilfrid Laurier in this matter? He was a great champion of that railway. It was under his administration that the contract for its construction was let. The Minister of Railways (Mr. Graham) in 1910 turned the first sod, but the government of that day failed to turn any more. The following administration under the Right Hon. R. L. Borden proceeded with the construction and continued it until the war put a stop to it. Now what is the position? Under the Borden administration the whole line from the Pas to Port Nelson was graded, steel was laid for three hundred miles, and switches and other accessories were installed. At Port Nelson millions of dollars were expended on terminal facilities. Large quantities of materials were brought in through the channel which is not supposed to be navigable, and those materials are still stored on the shores of Hudson bay at Port Nelson. To-day another ninety miles of steel will complete the road. To date approximately twenty-two and a half million dollars has been expended on the undertaking. How much more money will be required to complete it? I do not know, but here is what we are up against. I have recently received, as no doubt other members have, a pamphlet from Calgary giving pictures of floating icebergs in the straits during practically every month in the year. Personally I am not in a position to say whether those pictures represent abnormal conditions or not; but I do know that experts engaged by past governments have examined the route, and while it is true that those opposed to the completion of the road can produce experts to say that it is not feasible, yet many honest and reliable men

who have been on the spot say that the route is practicable.

Now, I grant you, Sir, that with this conflict of opinion, if we were initiating the road, I would not vote a single dollar for its construction until something more definite and concrete was presented to me. But with three hundred miles virtually ready for operation and the balance ready for the laying of steel, with twenty-two and a half million dollars already expended, and the road promised by all governments practically since confederation, I say that if the expenditure of further money within reason to complete the road forthwith did no more than prove that as a grain route to the markets of the world it is not practicable, it would be money well spent. And for another reason, that it would remove once for all a question which at every election is no small factor in raising dissension between the east and the west at a time when the expressed desire of all Canadian statesmen is for a strong and united Canada.

I think, though, that the House should be given the information that was asked of the leader of the government as to what extent he intended to commit this parliament to further expenditures for completion of the road. While I desire its completion, yet I know I would not be representing the best interests of my constituents or of the people of western Canada if I worked in season and out of season for the expenditure of large sums of money which would be wasted. I say that the attitude taken by the right hon. leader of our party in favour of spending such an amount of money as is necessary to give that route a proper test is the correct attitude to take, and I do not believe that members from the west, if they consult the interests of their constituents and their own real convictions, will ask for more; but that much they will ask for, and in pressing their demands I intend to bring to the question such energy as I can exert and the results of such investigation as I personally can make respecting this undertaking.

Now, while it does not appear in the original Speech from the Throne, yet in what is referred to as the supplementary Speech from the Throne there is a promise of some legislation along the line of old age pensions. I am in sympathy with the principle of such legislation. I think I have gone far enough along the road of life to believe that in the final analysis a country is responsible for seeing that those of its people who are aged and infirm and no longer able to fare for themselves are not allowed to starve. I believe in the principle that they should at least be taken care of. I believe that a reasonable measure in this direction will find support in all parts of the House. With a view to obtaining information, I placed on the order paper early in the session a question as to whether or not the government proposed to include in that legislation some measure of relief by way of pension for the blind. To that I have received no answer.

The Speech from the Throne suggests something which was intended, I think, to meet with the approval of members from the Maritime provinces. I will not attempt to go into the question or to discuss their needs. We have heard from them at length, and their views have been put forward very ably. Unless I am mistaken, I gather that what is suggested in the Speech from the Throne is not really what they want. It occurs to me that the offer of a royal commission, instead of mollifying the members from the Maritimes, has rather increased the urgency of their demands for something a little bit more tangible.

So much for the measures forecast in the Speech from the Throne. I wish to refer, now Sir, to some of the things that appear to me to be lacking, for I feel that not having expressed any animus against the government in the discussion of these matters in which I see some element of virtue, no one will deny to me the right at least to criticize. When I look through the Speech from the Throne I suggest to the government that it is not unreasonable for me to expect to find there the legislation which during the election the leader of the Liberal party told the country was so urgently needed. It is not surprising that I would expect to find some proposals to deal with those pressing problems which, at Richmond Hill, the leader of the government declared could not longer wait for solution.

Now what were those pressing problems? I want hon. members to mark them in their minds and see to what extent a solution is offered in this Address. Speaking at Richmond Hill, as reported in the Ottawa Journal of September 7 last, the Prime Minister asked, "What are some of the national problems pressing for solution?" and he said:

> First and foremost is the problem of taxation.

Well, do you find any suggestion in the Speech from the Throne as to alleviating taxation? He goes on to say:

> I can see no solution of the problems of taxation, no means of reducing materially our public debt, our income tax, our sales tax and other taxes, apart from a satisfactory solution of the four problems I have mentioned.

When the matter of income tax was mentioned early in this debate, if I am not mistaken, the hon. member for Brandon when referring to it intimated that he was not very much concerned with cutting down the income tax, or that he would not favour it. Well now, what prompted such an expression? What about the sales tax? What about various other taxes which have the effect of holding back the wheels of industry? who pays these taxes? If it were true that when I pay income tax this same tax would not affect my neighbour. I could very well understand the selfish interest that would prompt him to say "I am in favour of keeping on the income tax." It is the same with the sales tax and a multitude of taxes. But in the final analysis all taxes come out of the producer, and therefore what is for the benefit of the man who pays the income tax is also for the benefit of the producer, in so far as reduction of those taxes is concerned, and I say that we should endeavour to give business an impetus in this country, to unshackle industry by cutting off all special taxes at the earliest possible moment.

Sir, while no solution appears in the Address I will suggest one avenue through which some relief might come, and the avenue I suggest is that the government concern itself with collecting all the customs dues which are properly payable into the exchequer, and not permit goods to be smuggled into this country wholesale, brought in by people without paying the customs duty. If it is true, as has been charged, that not one million but many millions of dollars have been lost to the treasury of this country through that channel, then I say that every million dollars collected in that way by the diligence of the government means that by that amount it will be able to reduce the extent of the other taxes collected from the honest people of the country. While these smugglers of whom we have heard so much, these pariahs of business, become wealthy by evasion of the customs laws of this country, honest business men find themselves unable to meet their honest debts, and while these men with their ill-gotten gains parade the streets of our cities, honest business men are closeted with their creditors.

I say to this House and to the government: that if the government knew that smuggling was being conducted in a wholesale way, as the charges would indicate, then it was the duty of the government not to wait until forced by a resolution of this House, but on its own initiative to take proceedings to stop it, and to see that the exchequer was recouped. I suggest that it would not be amiss, under the heading of taxation, to have inserted in the Address something to this effect: "That your government regrets that many millions of dollars of the money of people of this country have been lost to Canada by smugglers bringing in goods from foreign countries without paying the customs duty thereon, thereby defrauding the treasury, and that this government expresses its intention to proceed forthwith to rectify that state of affairs." However, that apparently is not the custom, so far as governments are concerned, in the Speech from the Throne.

The second problem mentioned by the Right Hon. Mackenzie King at Richmond Hill was the matter of transportation. Is there any concrete suggestion in the speech as to a solution of that problem? Is the "building of the Hudson Bay railway forthwith" the real solution of the transportation problem of Canada? I think some of my friends from the Maritime provinces will not agree that it is. Many from the province of Alberta who want to get their coal into central Canada will not agree that it is the whole solution. Right there I want to point out to this House that the Speech does not represent a real effort on the part of the government to bring about a solution of this country's problems. On the contrary, it represents an attempt by this government to obtain support by suggesting these measures which it thinks will appeal to some of the groups in this House.

Another one of the four problems mentioned by the Right Hon. Mr. Mackenzie King was the matter of immigration. I will deal with that later, but in passing I may ask what solution of the immigration policy is offered by the government? They have told us that they have entered into an agreement with the railways for the purpose of encouraging immigration into this country, and by the terms of that agreement they are getting people to come in by guaranteeing these people employment for five years from the time of entry. I suggest to this government that it would be a sounder policy, in dealing with the matter of immigration, if, instead of guaranteeing employment to people who are not here, they should adopt a policy which would give employment to people who are here in order to hold our people here and prevent them leaving the country. Surely the basis of a sound policy in the matter of immigration is not to bonus people to come here, but to make conditions in Canada such that those who are here can make a living and remain in Canada. If you do that and make the country prosperous you will not have any difficulty in bringing people to Canada.

The other and last matter with which he dealt was the fiscal policy. He called it one of the outstanding problems. Well, there is some mention of that in the Speech from the Throne. It says:

My ministers are of the opinion that a general increase in the customs tariff would prove detrimental to the country's continued prosperity and prejudicial to national unity.

Now what is that? Is that a solution? It is not in itself a policy. It is simply a statement of negation of policy; it offers no solution. It simply says that to do something would not be good for the country. To be fair, the Speech does suggest the appointment of a tariff board for the purpose of studying tariff conditions in this country and seeing what changes should be made. Now is the tariff a new question? Is it not discussed on every election platform during every election campaign? It has been since I can remember, and I believe since any hon. member of this House can remember. Has not a great amount of data been gathered by the departments upon that question already? I submit that with all the data at its disposal the government ought to do one of two things: it ought to declare definitely either that it believes in a policy of protection of industry in this country, or that it does not so believe. They did not do that in the last campaign, but they did it once. In August, 1919, when the National Liberal Convention was held in the city of Ottawa, among other resolutions, one was passed on the tariff. On that occasion they were very specific. I shall not read the whole resolution, but only those portions that are pertinent to my argument:

That the best interests of Canada demand that substantial reductions of the burdens of customs taxation be made.

Did you hear any reiteration of that during the recent campaign? They go on to say, and I ask Progressive supporters of the government and also the Liberals from the west who delight to be connected with the party that always keeps its pledges to pay attention to these words:

That, to these ends, wheat, wheat flour and all products of wheat; the principal articles of food; farm implements and machinery: farm tractors, mining, flour and saw-mill machinery and repair parts thereof; rough and partly dressed lumber; gasoline, illuminating, lubricating and fuel oils; nets, net-twines and fishermen's equipments; cement and fertilizers, should be free from customs duties, as well as the raw material entering into same.

That a revision downwards of the tariff should be made whereby substantial reductions should be effected in the duties on wearing apparel and footwear, and on other articles of general consumption.

And they finish up by saying, so that there shall be no doubt where they stand:

And the Liberal party hereby pledges itself to implement by legislation the provisions of this resolution when returned to power.

Now they were returned to power, I think they will admit, in 1921, and did they implement these pledges? Did we hear any repetition of those promises during the recent campaign? Did we see any indication of their intention to proceed along those lines foreshadowed in the Speech from the Throne? Not one single word. Only do they say that they believe a general raising of the tariff would not be good.

Mr. DARKE. Does the hon. gentleman contend that no reductions have been made in the tariff by the Liberal government?

Mr. KENNEDY (Winnipeg): No.

Mr. DARKE: The hon. member's statement implied that.

Mr. KENNEDY (Winnipeg): I contend that there were no substantial reductions all along the line, or anything approaching it. I contend, further, that the Liberal government as at present constituted does not intend to bring in any substantial reductions all along the line, or anything like it.

Mr. DARKE: You know more than the party does.

Mr. KENNEDY (Winnipeg): We can judge them by their past performances and by what is suggested in the Speech from the Throne. If they believe in these substantial reductions, why do they not say in the Speech from the Throne that they intend to put them in force? What do they do? They simply shirk the question by saying: We will appoint a commission to inquire into what changes should be made.

Mr. DARKE: Is it not a fact that the right hon. leader of the opposition (Mr. Meighen) has declared himself in favour of a tariff commission?

Mr. KENNEDY (Winnipeg): Quite so, and I am in favour of it. But there is this difference: the right hon. leader of the Conservative party declared his belief in the efficacy of a tariff commission in 1912, and a bill looking to the creation of such a commission was introduced into this House but was killed by the Liberal party in the Senate. That is the history of the tariff board. It is true that at the present time it is a plank in the platform of the Conservative party, but with this difference from the policy of hon. gentlemen opposite: The Conservative

party's policy as to a tariff board starts with the premise that the Conservative party believes fundamentally in a policy of protection for building up the industries of this country. With that as a basis, it says: We will appoint a tariff commission, which, believing in that policy of protection, will head right into the storm, face the needs of this country, and give this country a tariff policy which is suited to the needs of the country. I submit that between that attitude, and the appointment of a tariff board by a government which says it believes in substantial reductions, but never carries them out, there is all the difference between life and death so far as an effective policy is concerned. I hope I have made myself clear to my hon. friend.

Mr. Speaker, I move the adjournment of the debate.

Motion agreed to and debate adjourned.

On motion of Mr. Lapointe the House adjourned at 11 p.m.

Friday, February 19, 1926

The House met at three o'clock.

PRIVATE BILLS

FIRST READINGS

Bill No. 12, respecting Joliette and Northern Railway Company.—Mr. Denis (Joliette).

Bill No. 13, respecting a patent owned by The John E. Russell Company.—Mr. Kay.

TRANSPORTATION OF COAL

On the Orders of the Day:

Mr. L. W. JOHNSTONE (Cape Breton North-Victoria): Has the Minister of the Interior suggested to the government that they provide a small sum of money sufficient to meet the costs of moving 15,000 tons of coal from Sydney Mines to Montreal over and above $3.25 per ton?

Hon. CHARLES STEWART (West Edmonton, Minister of the Interior): No.

HUDSON BAY RAILWAY

On the Orders of the Day:

Mr. W. W. KENNEDY (Winnipeg South Centre): On the 12th of this month I put a question to the government with reference to the importation into the province of Saskatchewan of a certain quantity of ties from the state of Minnesota for use on the Hudson Bay railway. The acting leader of the government (Mr. Lapointe) replied to the effect that the report was incorrect inasmuch as he had nc information on the subject. Thereupon I wrote to the vice-president of the Canadian National Railways, purchasing department, and I have this morning obtained a reply giving certain information which I should like to submit to the House.

Hon. ERNEST LAPOINTE (Leader of the House): Is my hon. friend asking a question or is he seeking to give information to the House?

Mr. KENNEDY (Winnipeg): I am bringing a certain matter to the attention of the government.

Mr. LAPOINTE: Send us the letter.

Mr. KENNEDY (Winnipeg): With the permission of the House I desire to quote from this letter:

> I have your letter of fifteenth instant in respect to the use of ties from the state of Minnesota.
>
> The information in connection with this situation is that we were asked by our operating department to furnish them with a quantity of cedar ties for the Hudson Bay line, as it was felt that cedar ties would be of more advantage on that line than others because the traffic is light and, therefore, the mechanical wear on the ties would not be very heavy, and because a good cedar tie withstands the atmosphere well under light traffic conditions. There are none of these ties available in the vicinity of the Hudson Bay line, and I may say that we are buying all the ties we can get in Saskatchewan. It was very imperative, therefore, that we bring cedar ties from somewhere.

Mr. SPEAKER: I would advise the hon. member to put the question on the order paper.

THE COUNTESS OF CATHCART

On the Orders of the Day:

Mr. S. W. JACOBS (Cartier): I should like to ask the Minister of the Interior whether he has received an application from the Countess of Cathcart to enter this country and if so whether the "moral turpitude" clause, which in our law is similar to that in the United States, will be applied.

Hon. CHARLES STEWART (West Edmonton, Minister of the Interior): No, Mr. Speaker.

AUDITOR GENERAL'S REPORT

On the Orders of the Day:

Sir HENRY DRAYTON (West York): May I ask the Minister of Finance what has become of the first volume of the Auditor General's report. The last time we had this matter under consideration I gathered from what the minister told us that this volume of the report would be in the House that after-

noon. I am afraid the Auditor General has forgotten about it in the meantime.

Hon. J. A. ROBB (Minister of Finance): No fault is to be found with the Auditor General. I had from the Assistant Auditor General, Mr. Kearns, a few days ago a memorandum, which I regret I have not before me now, saying that the work had been delayed in the printing department, but he assures me that the report will be ready early next week.

Sir HENRY DRAYTON: I suppose my hon. friend will at least undertake before this House adjourns to make sure that that volume is brought down. It certainly ought to be.

Mr. ROBB: Mr. Speaker, may I exercise the Scotchman's privilege and ask another question? When is the House going to adjourn?

Sir HENRY DRAYTON: Perhaps that might have something to do with it.

PROPOSED LEGISLATION

IMMIGRATION ACT, NATURALIZATION ACT AND CRIMINAL CODE AMENDMENTS

On the Orders of the Day:

Mr. DONALD SUTHERLAND (South Oxford): Mr. Speaker, may I ask the acting leader of the government (Mr. Lapointe) if he can give the House some information regarding proposed amendments to the Immigration Act, the Naturalization Act and the Criminal Code which were apparently promised to the member for Winnipeg North Centre (Mr. Woodsworth), as intimated in a letter which he placed on Hansard on January 28?

Some hon. MEMBERS: Order.

Mr. SUTHERLAND (South Oxford): I should like to ask the acting leader of the government if he can give the members of this House the information which was evidently conveyed to the member for Winnipeg North Centre.

Hon. ERNEST LAPOINTE (Leader of the House): Mr. Speaker, my hon. friend has already asked that question. He is an old member of the House and knows that legislation is explained when it is introduced.

Mr. SUTHERLAND (South Oxford): Might I ask my hon. friend—

Mr. SPEAKER: Order.

Mr. SUTHERLAND (South Oxford): —if this information will be given privately to members of this House if they make a request therefor to the acting leader of the government?

Mr. SPEAKER: Orders of the day.

GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

The House resumed from Thursday, February 18, consideration of the motion of Mr. J. C. Elliott for an Address to His Excellency the Governor General in reply to his Speech at the opening of the session, and the proposed motion of Mr. Bird: "That this question be now put."

Mr. W. W. KENNEDY (Winnipeg South Centre): Mr. Speaker, when I had the privilege of adjourning the debate last night I was drawing the attention of hon. members to certain matters which, it appeared to me, were lacking in the Speech from the Throne, and I was discussing particularly the absence of any suggestion regarding our fiscal policy. Now, perhaps the letter which I attempted to read a moment ago would be germane to the discussion of that question, and for the information of the House I propose to submit this communication, which has to do with the bringing into this country of ties for railway construction that, in my view, should have been obtained in Canada. The letter to which I refer is dated Montreal, February 18, 1926, and is from Mr. R. C. Vaughan, vice-president of the Canadian National Railways, purchasing and stores departments, and is addressed to myself:

I have your letter of fifteenth instant in respect to the use of ties from the state of Minnesota.

The information in connection with this situation is that we were asked by our operating department to furnish them with a quantity of cedar ties for the Hudson Bay line, as it was felt that cedar ties would be of more advantage on that line than others because the traffic is light and, therefore, the mechanical wear on the ties would not be very heavy, and because a good cedar tie withstands the atmosphere well under light traffic conditions. There are none of these ties available in the vicinity of the Hudson Bay line, and I may say that we are buying all the ties we can get in Saskatchewan.

I may add that at that time there was an election going on in Saskatchewan.

It was very imperative, therefore, that we bring cedar ties from somewhere. We gave a contract to have them supplied from off the old Canadian Northern main line between Winnipeg and Rainy River, as in that section there is some good cedar available. As you know, the old Canadian Northern main line between Winnipeg and Rainy River runs for 43 miles through the state of Minnesota, and it so happens that the contractor is delivering some of these ties on his contract that are produced on that portion of our line which is in the state of Minnesota. I wired our Winnipeg office to ascertain the number of cedar ties which originated in Minnesota and which have been shipped to the Hudson Bay line, and I find the quantity is approximately 45,000. There will probably be a few more shipped from that district, but not a great many.

Our position is that we needed cedar ties for the Hudson Bay line and that we wanted to get these cedar ties at the lowest price and with the least possible haul to where they were to be used. There-

fore, a contract was given for ties to be supplied in the territory referred to, and it so happens that the contractor is having some of these ties produced on the old Canadian Northern main line in the state of Minnesota. As you are aware, there is no duty on ties coming into Canada, and it is unfortunate that we were unable to get these ties elsewhere in Canada to meet our requirements, except at an increased cost to us.

As you know, a large amount of timber goes from Canada to the United States, and, no doubt, if we took objection to these few ties which are produced on our own lines coming into Canada, it might react against our general timber interests in a bigger way.

Our idea is to have all our ties, so far as possible, produced in Canada, and we buy approximately 7,000,000 ties annually, which are produced in Canada.

I saw a report in the paper that we were buying 600,000 ties in the state of Minnesota for the Hudson Bay line, which, of course, is ridiculous, and I assume in the final analysis there will probably be only 50,000 ties come from the state of Minnesota to apply on this Hudson Bay contract, but we must bear in mind that these ties are produced on our own lines and in a district where we get substantial revenue from manufacturers and dealers in forest products.

I would also like to point out that, under the terms of the contract, we stipulated that these ties were to be produced on our own lines, and it just so happens that a few of them are coming from the state of Minnesota.

I submit, Sir, that that is just 50,000 ties too many from the state of Minnesota. Surely the Canadian National management can get Canadian-grown timber for use on the railway, cut into shape by Canadian workmen, and thus give employment to our own people?

No mention is made in the Speech from the Throne of any solution for what has been called the national fuel problem. I am not going into the question at length because it has been fully discussed, but on every occasion when an hon. member from the Maritime provinces asked the government why it did not give some assistance in the way of lower freight rates to the coal mines of Nova Scotia, he was met with the answer: We cannot interfere with the railway commission; the commission is outside of politics, and we have nothing more to do with it than you have. In principle I take no issue with that stand, but I want to refer the House to something that transpired in connection with the railway commission just before the election in the province of British Columbia, which I suggest requires some explanation at the hands of a member of the government. On the very eve of the election an order was issued by two members of the railway commission, against and in spite of the desire of the majority of that commission, reducing the rate on the mountain haul. That needs some attention because, while it may not have been issued with any particular political object in view, it has been so interpreted in many districts by the Canadian people, and the action of the board on that occasion calls for inquiry.

There is also absent from the Speech from the Throne reference to the much-promised Senate reform.

There is something else, and while I do not criticize the government particularly for this, I wish it brought to their attention. There is throughout Canada a body of men who deserve and who, I believe, have received special attention at the hands of the government. They are returned, disabled veterans, and while the general policy of the Canadian government towards this class of men is generous, perhaps by reason of the difficulty of providing for all emergencies which arise, certain of them are labouring under disabilities which, I believe, hon. members in all parts of the House will be desirous of removing. I refer to the position of the disabled veteran who is unable to prove conclusively to the Board of Pension Commissioners that the disability from which he suffers can be directly traceable to his war service. Hon. members who are physicians know that it is very difficult sometimes even for the best physician to trace a given illness to its original cause. There have come under my notice many cases of disabled veterans who were accepted in the army as fit, and who, since their return, have developed certain ailments which they claim are traceable to war causes, but who, because of the regulation that the onus is upon them to establish conclusively that such ailments can be traced to war service, are without relief. I do not go so far as to suggest that the door should be opened to everybody; but instead of the onus being upon the shoulders of the men, I would suggest that the legislation be amended so that once a returned soldier who is disabled or suffering from an illness is able to establish a prima facie case that that illness can be traced to war service, he has thereby discharged his onus, and the onus should then rest upon the government of the country to show that the disability from which he is suffering was not caused by war service. That is perhaps giving a class of men in this country the benefit of the doubt to which, I think, they are reasonably entitled. So much for the omissions from the Speech from the Throne.

What does the Speech from the Throne offer? If you will examine the fabric of the Speech carefully, you will not find it woven out of honest wool; you will find in it much of shoddy, shoddy that is put there for what purpose? Perhaps I am not allowed to say

what I think, but I will say that the effect of it is to make it more readily saleable. The Speech from the Throne, instead of being woven out of true, honest cloth, is woven out of a mixture of shoddy consisting of those particular things that have in their essence, not a national, but a sectional appeal to certain economic groups, as has been admitted by members in various parts of the House. In the original Speech there was the appeal of rural credits and the Hudson Bay railway which had a special appeal to the Progressive group. The hon. member for North Winnipeg (Mr. Heaps), in discussing the Speech from the Throne, took occasion to remark that he found there something lacking. I refer hon. members to Hansard of January 19 last at page 274 where this statement appears:

> From the labour viewpoint the Speech from the Throne is notable for the omissions. There is no reference in it to some of the pressing problems which concern labour.

But that complaint no longer exists. That omission was speedily cured by a letter to which I have already referred from the leader of the government and which was placed upon the records of this House by the hon. member for Winnipeg North Centre (Mr. Woodsworth).

I wish now to discuss the attitude of the Progressive group in this House towards the Conservative party, not with any view of creating antagonism, but with the sincere idea that, perhaps, I may place before the members of that group some matters concerning our attitude towards the tariff with which they will not be prepared to take direct issue.

It has been stated in this House by some representatives from that group that they support the government of the day, not so much because of their confidence in this government, but because, being placed in this House in the position of choosing between two evils, they have chosen the lesser. The inference I take from that is that their particular objection to the policy of the Conservative party is because of its announced and often repeated stand on the question of protection, and I doubt if that will be denied. For that reason, in discussing the attitude of the Progressive group towards the Conservative party, I am going to deal with that same problem of the tariff.

I am aware that no subject is so prolific of debate as the tariff. If you want to start a debate either during an election or between elections, all you have to do is to have one man say: I am for protection, and another man say: I am for free trade, and you can deduce two perfectly good theoretical arguments. But when you come to discuss this question in a practical way, it is just as well to dispense with those things which do not go to the root of the question; so I start with this statement and I challenge denial: There is not in this House or outside of it any responsible political party in the Dominion of Canada which to-day believes in, teaches or practises a policy of free trade. Is that true as regards the Conservative party? It is not challenged; we do not believe in free trade. Does the Liberal party believe in free trade? I will call two witnesses, the first being the Right Hon. Mackenzie King, leader of the government, who, when speaking during the campaign in the Winnipeg rink to an audience of approximately ten thousand people declared that the Liberal party was not in favour of the policy of free trade. He said: It does not believe in a high tariff; it does not believe in a low tariff. It believes in the middle course.

Speaking again in the city of Kingston on October 21 last, as reported in a Canadian Press despatch, Mr. King said:

> "I would oppose free trade with all my might," said Mr. King, at one stage, adding that he would just as strongly oppose the opposite extreme of high protection. "The present government" insisted Mr. King, "is not in favour of free trade, never has been, and would not be in the circumstances if it could."

I think that makes clear the position of the Liberal party on the tariff question, so far as it has been expressed by its leader.

If you want further evidence by a public man supporting the Liberal party during the last campaign, I will give you a name which is familiar to all members of this House, that of an outstanding Liberal in days gone by, a man of power, weight and experience in this country, who in the final battle in North York was called into that constituency by the leader of the Liberal party as his final hope and refuge; I refer to Sir Clifford Sifton. Speaking at Aurora, Ontario, on October 23rd last, as quoted in the Manitoba Free Press, Sir Clifford Sifton said—and I ask Liberals who profess to believe in free trade to pay attention to these words:

> I am bound to say that I have been disagreeably affected by the discussions with respect to the tariff which have taken place in the present election. They seem to me to have been crude and ill-informed showing no systematic or careful study of the subject. Let me say a few words to you on the subject of the tariff as it appears to me.

Then here is his pronouncement:

> Our tariff is the result of about forty years of very careful study and very hard, conscientious work on the part of different Finance ministers and a corps of very well informed assistants. Successive Finance ministers have had commissions of inquiry and the whole subject has been gone into in exhaustive

detail. The result of this is that the tariff has been worked down to a condition in which there is very little more to be learned about it, and this is proven by the fact that as successive ministers of late years have taken office, no matter what representations they made before they got into office, they made very few changes in the tariff after they got in. The fact is that at the present time it is impossible to cut down our tariff sufficiently to make any substantial difference in prices to the consumers without making such confusion and such dislocation of business that the damage done would be altogether out of proportion to the benefit to be derived.

I wish to place upon the records of Hansard one further test. We have had in this country, within my memory, election campaigns in which the Liberal party openly preached a free trade policy. It is true that that policy was subsequently modified by the present leader of the government to a policy that claimed to be moving toward the goal of free trade. I submit, apart altogether from what party you belong to, that the best test of whether any party in this country believes in the policy of free trade is to see what it actually does when in power. You may theorize in opposition, but what you practise in power is the test by which you should be judged. Now since 1878, when the National Policy was introduced in this country, and here I am repeating the declaration made by the right hon. leader of the Conservative party in this House, the firm and settled policy of this country has been one of protection. If it were true that since that day only Conservative governments had been in power the other party might say: Well, if we had been in power, we would have changed that policy. But we have had alternating governments, a number of Liberal and Conservative governments since that day, and if the Liberal party believed in a policy of free trade we would at least expect to find some substantial movement in that direction when it was in office.

These figures which I wish to place on record speak for themselves. In the annual report of the trade of Canada for the fiscal year ended March 31, 1924, at page 10, there is a summary of the trade of Canada with all countries from the year 1868 to 1924. I will give you first the average ad valorem rate of duty on all dutiable goods brought into Canada from all countries for certain years.

In 1878 the average ad valorem duty on dutiable imports brought into Canada from all countries was 21.4 per cent. In 1896, when there was a change to a Liberal government, the rate was 30 per cent. Then we had a period of Liberal administration from 1896 to 1911, and in 1911 when the Liberals went out of power the average rate was 25.9 per cent, or a reduction of 4.1 per cent. In 1911 a Conservative administration came into power, and when it went out in 1921, the average rate was 20.6 per cent; yet when they came into power it was 25.9 per cent. So much for the average reduction. We had a Liberal administration again in 1921, and the average rate when they came in was 20.6 per cent; in 1924, it was 22.9 per cent.

One other set of figures I give you, and that is the average rate upon the total imports, both dutiable and free, for the same years. In 1878 the average ad valorem rate on all goods dutiable and free brought into this country was 14.2 per cent; in 1896, when the Conservative administration went out of power, it was 19.2 per cent; in 1911, when the Liberal administration went out of power, it was 16.2 per cent; in 1921, when the Conservative administration went out of power, it was 14.1 per cent; in 1924, during a period of Liberal administration, it had risen to 15.1 per cent. Now those figures speak for themselves, and they do, I think, suggest this, that the average rate of variation, either upon dutiable goods brought into this country, or upon all goods dutiable and free, is negligible. Well then, all of us recognizing the fact that we must pursue some policy of protection, what is the next question?

Mr. McLEAN (Melfort): If the variation of duty was so negligible, how does the hon. member account for the closing of the two thousand factories which his party says were put out of business by the reductions made in the tariff?

Mr. KENNEDY (Winnipeg): I will tell you what in my opinion is the reason. The importance of a tariff policy is not so much the height of the tariff as a definite, consistent policy which will stabilize business. Very often the mere threat of substantial reductions creates just as much harm, sometimes more, than the actual reductions themselves.

I want to say, particularly to the members of the Progressive party and to those Liberals who are open to conviction, that one of the things our party has chiefly to fight is misrepresentation in connection with the respective positions of the different parties on the tariff. Throughout the length and breadth of this country, at every election, the Conservative party is represented as being a high protection party, and the Liberal as a low tariff party. You ask the representatives of the Liberal party how high the Conservative party believe in putting the tariff, and they will not tell you. They will use some expression which conveys the idea that there is no limit to the height to which we will go in raising the tariff. You ask

them how much the Liberal party will reduce the tariff, and they will not tell you. So then it is not a question of a high protective party or a low protective party but, having decided that we must have a tariff, the question is how high shall that tariff be? There I think we can meet on common ground.

Let me submit an illustration: Supposing that in the city of Ottawa there is an industry employing, we will say, 150 men, manufacturing a commodity which enjoys a protection of 15 per cent. We will say that the government proposes to reduce the duty on that commodity by 5 per cent. Representations are made by that industry against the reduction. Forgetting altogether whether they are free traders or protectionists, if any five hon. members of this House were constituted a committee to decide whether or not that tariff should be lowered I submit, if they went about the matter in a business-like way, they would proceed somewhat along this line: First of all they would inquire, "Is that an industry that is good for the city of Ottawa and for this country?" Next they would say, "Open your books and show us why you must have a protection of 15 per cent?" If they show it is because they have to meet competition in respect of goods manufactured on a lower scale of wages in another country; if they show that they have to manufacture here under conditions which do not obtain in the competing country, then it must be decided whether it is desirable to give them the safeguard that they have asked for, or let them go out of business. Without carrying the illustration further, I submit it comes down to the question: shall we give them some protection? Then the next question is, how much? How shall the committee decide? Doubtless they would say: "Open your books and show us how much protection you actually need to carry on?" If the committee were of opinion that it would be bad for the city and bad for the community for that plant to close up they would say "We recognize that you are paying wages of sixty cents an hour, whereas your competitor is paying thirty cents an hour. We recognize that you are manufacturing here under conditions which do not obtain in the competing country. We recognize the fact that you are paying your workmen on an hourly basis for a period much shorter than the working day period of the employees in the factories of that foreign competitor. We recognize that this country is basically a country of high wages."

Therefore, in deciding what protection should be given, I submit that for these reasons the committee would say, "We will give you such a measure of protection as will enable you to continue your business, pay your workmen the standard wage that is demanded in this country, and allow you to get a reasonable profit upon your investment." That, I submit, is the test which should govern the decision in a matter of this kind. That far, I submit, as far as I can judge, is the extent to which the Conservative party should go in the matter of protection and no further.

But why a tariff at all? I think I have demonstrated why there should be a tariff. Let any hon. member take his own town. To bring the situation a little closer home take the city of Brandon, for the sake of choosing the constituency of the leader of the Progressive party (Mr. Forke). We will say there is a plant there manufacturing some commodity under these conditions—basically high wages, hours which are regulated by statute, under our commendable laws which prohibit the employment of child labour, under conditions where a man can only be required to work so many hours a day, under conditions where he has to receive that certain standard of wages necessary in this country in order to buy the necessaries of life—fuel, clothing and food for himself and his family. Then, if there is no tariff that manufacturer has to compete against a competitor—we will say in the state of Alabama, or any of the southern states, where the climate is warm and labour is cheap. If the Brandon manufacturer pays sixty cents an hour to his employees and has to compete with goods manufactured by cheap labour, such as negro labour at 17 cents an hour; if he has to have an investment of $80,000, under the conditions in this country, as to heat, weather, and so on, as against an investment of probably only $8,000 down there, you will take those matters into consideration, and will make up your mind first of all as to whether that particular business should continue or not. If you do not believe in the policy of protection you will say, as some hon. members here say "No; if this institution cannot stand on its own feet without protection it does not deserve to live", and you will not give it protection. Then, by reason of the fact that it cannot compete with the goods brought in from the south, you know what will happen. You know what will happen if a concern cannot sell as cheaply as its competitors. There is only one end. That Brandon factory goes out of business. Suppose that factory employs 150

men? Very well, they are thrown out of work, and they join the ranks of the unemployed. You have to consider if that is a good thing for the city of Brandon? Whom does it affect? Is it only the manufacturer, with whom we are often said to be linked in some special way?

Mr. FORKE: Supposing you take some of the farmers around the city of Brandon and they put their case up to you. They show you that they are carrying on their business at a loss, what sort of protection would you give them?

Mr. KENNEDY (Winnipeg): If my hon. friend will permit me to continue with my argument I will refer to the situation of the farmers in the vicinity of Brandon a little later on. In the illustration I have mentioned, what you have to consider is whether it is better for that community to protect that particular business and ensure its workmen continuous employment, or whether you shall say, "No you cannot have protection." If you make the latter decision that concern will go to the wall and its workmen will join the ranks of the unemployed. Then what do they do? Having being deprived of work in that factory and needing employment, they start looking for it. They will probably go to another factory in the same line of business in that city if there is one available. But if the same policy obtains so far as that factory is concerned what will they find? Jobs there? No. On their way into the office of that other factory to ask for a job they will meet more men like themselves coming away and swelling the ranks of the unemployed. So industry languishes. You have the problem of unemployment, and in the final analysis you have the problem of emigration from this country.

Why the need of protection? For this purpose, and it has no other justification: For the purpose of allowing a business, if it is a good thing for the country, to carry on, to pay the standard of wages necessary to be paid in Canada, to expand if possible and develop the resources of this country, and increase its pay rolls. By so doing it will benefit not that manufacturer alone. Far and away above the benefit that will accrue to that manufacturer, benefit will result to the employees and to the people of this country as a whole. Firstly there are the employees and their families. They buy from the local shops. The shops will buy from the manufacturers and the agricultural producers throughout this country, and the money which is paid out through the payroll of that institution will find its way through all the avenues of business, even into the pockets of the local agricultural producers. What is the history of this question since the war? Since 1921 sixty-three countries of the world have raised their tariffs. That should indicate something. What is the aim of a tariff? The aim of a tariff is to develop and work up our own resources by our own workmen; out of the proceeds of the wealth so created to pay these workmen, who as consumers buy from Canadian shops, who in turn sell the goods, the products of these very men who are their customers, in order that they may build up the greatest of all markets, the home market.

What is the result of such a policy? We build up our industries. We create employment. We fill up the vacant houses and create a demand for new houses. We increase our population. We stop the emigration from this country of the unemployed and the sending out of money to buy the manufactured goods of foreign countries. We attract people to our shores. Having done that we enlarge the home market.

Now how does this home market affect the farmer? I come now to the question asked by the hon. member for Brandon (Mr. Forke). I refer to a statement made by that hon. gentleman relating to that very subject which appears in Hansard of February 10, 1925, when the hon. member said:

> No amount of reasoning, no amount of argument can ever convince the people dwelling upon the prairies that a protective policy can be of any benefit to them.

I ask this House, is it reasonable for the leader of a party to take the attitude that no amount of reasoning can convince him? I submit that the hon. member for Brandon does not do entire justice to all those in the ranks of that party. I will concede this, that the results of a protective tariff do not flow directly to the grain growers of the west. I think there is scarcely any other class of people in this country who will not admit that the effect of a protective tariff which builds up industries is directly beneficial to them. The hon. member for Nelson (Mr. Bird) speaking the other night, referring to the matter of the tariff intimated that protection was good for the towns and cities and good for that rural class who were truck farmers in the vicinity of towns and cities, but he intimated it was of no value to the man who was strictly a grain-grower. I think perhaps that is what is in the mind of the hon. member for Brandon.

Admitting that the benefits do not flow to the grain growers directly, I ask the hon.

member to consider two things. My hon. friend is a prosperous farmer in Manitoba. His product is grain. In order to realize the value of that grain he must get it to market. The actual value of that grain on his farm is reduced by the amount of freight he has to pay on it to get it to market. Then I say that any policy that has the effect of either raising or lowering the rate on his grain is of direct interest to him. Suppose we wipe out protection in this country and introduce a straight policy of free trade; I do not think anyone will deny that many, many industries would quickly go out of business, and what does that mean to the railways, the carriers of goods? They will carry less goods. I ask this House, from what source are railway rates paid? There are only two sources, passenger traffic and freight traffic. The more important of these two kinds of traffic is the freight, which is more than twice as remunerative to our railway systems as the passenger traffic. In the case of every plant that goes out of business those railways cease to carry the goods of that plant. Multiply one by a thousand or two thousand, and you are eating into the very heart of the life of the railways of this country. You are taking away from them their most remunerative source of revenue —far more remunerative, so far as the rate per ton mile is concerned, than the grain rate. The railways still have to run, still have to pay their wage bills and pay for their upkeep and endeavour to get a fair return at least on the moneys invested. Who will pay it? The people who are left to use the railways. Where is the burden going to come? It is going to fall on the freight that is left to produce the necessary money to keep the railways going. What is left? With the falling off of industry, with the cutting out of that tremendous freight traffic which depends upon industry for its revenue, you have left the grain traffic of the west as one of the most important sources of freight. Under those circumstances, I ask the hon. member for Brandon, will the rates that he pays for every bushel of wheat taken from his farm to world markets be higher or lower? If higher then he is paying that much more because of the fact that free trade has driven the industries out of the country.

4 p.m.

I say to the hon. member for Brandon that if, by a reasonable measure of protection, you preserve and develop the industries of this country and create freight traffic for the railways, to that extent you directly assist the hon. member for Brandon and those in his class.

Mr. FORKE: I want to ask the hon. member a question, because he has repeated that statement so frequently, and I cannot follow his reasoning closely. He speaks about wiping out industries, and I ask him, does Winnipeg exist for the purpose of supporting the prairies of the west to the Rocky mountains, or do the prairies exist to support Winnipeg?

Mr. KENNEDY (Winnipeg): I think the difficulty in answering the question is that my hon. friend assumes it must be one or the other. I submit it is not a question of the prairies existing to support Winnipeg or Winnipeg existing to support the prairies, but their mutual interests interlock and one works for the benefit of the other.

Mr. FORKE: I do not want to interrupt my hon. friend, but that is the trouble with his argument. He is speaking altogether from the point of view of industry and he is forgetting the other side of the argument; he is arguing from the point of view of the producer and never giving a thought to the consumer.

Mr. KENNEDY (Winnipeg): I will go a step further and deal with the other point to which I refer. Let us assume that with free trade in this country industries languish and many are wiped out. Let us say that instead of half a million people going from Canada in the last four years, as the records show, a million emigrated. Supposing that drainage of man power continued: what would be the result? The aggregate debt of this country is not affected by the emigration of the people; the people go but the debt remains. When there are ten million people in the country it is easier for the individual to meet his share of the debt than when there are five million to bear the burden; fifteen million can more easily bear it than ten million. Well, then, if the effect of a policy of absolute free trade is to swell the ranks of the unemployed and to increase in consequence the stream of emigration of people who are obliged to seek work elsewhere because they cannot find it here, then every man who goes away leaves behind him his share of the taxation and it must be borne by those who remain. If the hon. member for Brandon (Mr. Forke) will follow that argument through he will find that if he intends to stay in this country he will be one of those who will have to bear the increased burden of taxation due to the exodus of our population. That is an important consideration.

Mr. BEAUBIEN: The hon. member said a few minutes ago that if the representatives of any industry came to this House and urged that they could not carry on under the existing tariff, or in the absence of a tariff, he would examine the books and, if their representations were correct, he would either provide them with a tariff or increase whatever tariff was then in force, as the case might be. Now suppose the grain grower or the cattle producer came here and declared that he could not under present conditions make ends meet. How would the hon. gentleman by means of the tariff make either of these people prosperous? I ask the question merely for information.

Mr. KENNEDY (Winnipeg): I shall try to answer the question as best I can but I want the hon. member to understand that I do not assume to have a remedy for all the ills of the country. There is supposed to be a government for that purpose.

Mr. BEAUBIEN: I am merely asking for information.

Mr. KENNEDY (Winnipeg): So far as one branch at least of agriculture is concerned, it has been suggested that foreign competition be kept out; that is one proposal at any rate. As to the grain grower in the west, I do not see that a tariff will keep out foreign grain. I will say this, however, that if the effect of such a tariff is to increase the home market, then by virtue of that improved market in this country the grain grower of the west will profit.

An hon. MEMBER: In what way?

Mr. KENNEDY (Winnipeg): An hon. member asks, in what way. I am familiar with the attitude taken by a number of members of the Progressive party in dealing with this question. They say that so long as Canada is a wheat exporting country the price which the farmer receives for his wheat will not be affected in any way by the home market but will be governed entirely by the foreign market.

Mr. BEAUBIEN: May I ask the hon. member a further question? How is it that the grain growers of the United States, with high protection, are in a worse position than the grain growers of Canada?

Mr. KENNEDY (Winnipeg): The hon. member for Provencher will be fair enough to let me answer his first question first. Perhaps he already sees the answer to his previous question. As I say, it is suggested in regard to the grain trade of the west that an improved home market does not affect the price received by the wheat growers so long as we are on an exporting basis. Well, let us assume that the wheat production in Canada in a given year is 400,000,000 bushels. The home consumption at the present time is probably 50,000,000 bushels and if you allow another 50,000,000 bushels for seeding purposes you have for export 300,000,000 bushels. Suppose, the population of the country should increase until the home consumption amounts to 300,000,000 bushels and the exportable surplus is reduced to 100,000,000 bushels.

What about the argument that so long as we are on an exporting basis an increase in the home market does not affect the price? Will hon. gentlemen contend that an increase from 50,000,000 bushels to 300,000,000 bushels in the home consumption would have no effect on the price to the farmer? Every million of bushels cut off from exports would represent that much less wheat in the markets of the world to fill the world demand. Let us push that argument to its logical conclusion; suppose none of the countries producing wheat were on an export basis, then what would be the price of wheat in the markets of the world where wheat must be had? I contend that with every million of bushels by which you reduce the visible supply of wheat in the world's markets you make for an increase in the world price of wheat.

A good deal has been said at times about the operation of the Winnipeg Grain Exchange and if it serves no other purpose, at least it furnishes an illustration. This argument will appeal to many of the farmers of the west because, although they do not go to the Winnipeg Grain Exchange, I understand that they frequently take a little flier in grain, so that they know how the markets operate.

If you go into any grain broker's shop where the prices of grain are tabulated you will find quoted at the beginning of each month the world's visible supply of wheat; and if a report comes from the Argentine or the United States or Russia or India or any other grain growing country that, by reason of the drought or a plague or something of that sort, the visible supply is cut down, immediately wheat jumps in price. So that when you reduce the exportable surplus of wheat of any given country you to that extent diminish the visible world supply, and that reacts on the price. If therefore you reduce the exportable surplus of wheat in Canada as a result of increasing the home consumption from 50,000,000 to

300,000,000, then you directly affect the world price of wheat and the result will be to raise the price in Canada to the advantage of the farmer.

Mr. McLEAN (Melfort): Would not the hon. member's argument apply irrespective of where the people lived so long as they consumed the wheat? Whether they lived in Australia or in England or anywhere else, so long as they consumed the wheat would not the argument be the same?

Mr. KENNEDY (Winnipeg): I appreciate the significance of the question; I have heard discussed in the prairies the theory implied in it. It is this. The farmer says, "There are only so many people in the world and I am not concerned with where they live, because they must buy our wheat." I submit this simple illustration. There is, say, a family of ten living in France and the wheat from a specific farm finds its way to that family. Suppose we transplant that family from France into Brandon; instead of the wheat being carried overseas it is taken by a much shorter haul to Brandon. Would not the price of the wheat be greater to the farmer under these conditions? Even if you do not admit that in such a case the value of wheat per bushel would be enhanced, even if you do not get a cent more, you certainly will not get any less.

Will it not be better eventually for this country that that family instead of living in Paris lives in the city of Brandon, and is there helping to build up the city and to create business for the local stores.

Mr. VALLANCE: While the hon. member is waiting on these millions to come into Canada to eat up this surplus that he says they will eat up, what is he going to do with us, the producers?

Mr. KENNEDY (Winnipeg): I am not undertaking to produce people to eat up the three hundred million bushels of surplus wheat. I am trying to pursue a line of argument which I see does appeal to hon. members of the group to my left, and also to some staunch Liberals from the prairies. Perhaps I have devoted sufficient attention to that phase of the argument.

I wish now to refer to where labour comes into this scheme of things, particularly as labour is ostensibly represented in this House by the hon. member for Winnipeg North Centre (Mr. Woodsworth) and the hon. member for North Winnipeg (Mr. Heaps). I take it that those who are interested in the problems of labour are also interested in the problems of the unemployed. I ask the farmers of the west to forget for a few moments that they are farmers and to come and live with us in the cities. If they will do this and examine the conditions under which some of our urban population live they will find that things are not as bright in the cities as the bright lights would lead them to believe. I recognize that those residing in the rural parts of the Dominion have some difficulties and that life is not always as interesting as they sometimes would like it to be; but if I could take a poll of all our farmers, I wonder how many of them I would find living under circumstances that they do not know the day or the hour when the bailiff will come along and say: Your rent is overdue; pay up or out you go.

There may be some, but only a comparatively few farmers are in such distress. But in our great cities to-day if hon. members will examine the conditions they will be astounded to find how many people are living practically from hand to mouth, and do not know from one month to another whether they are going to receive sufficient wages to enable them to continue payments on their homes or rent to their landlords.

Mr. McLEAN (Melfort): If the hon. member will allow me? Taking his statement about city conditions to be correct, and admitting that the policy of this country for the past fifty years has been high tariff with very little lowering of duties from time to time, does he think it worth while to continue this system?

Mr. KENNEDY (Winnipeg): My answer to the hon. member is: We never have had a consistently high tariff. He expresses some impatience with that answer. Well, if he cares to examine the tariffs of other countries he will find that our tariff is exceedingly moderate, and always has been.

Mr. McLEAN (Melfort): Will the hon. member allow me to substitute for the phrase, "high tariff" the phrase, "system of protection" that we have had for the last fifty years?

Mr. KENNEDY (Winnipeg): Then my answer is: Our chief difficulty is that we have never had adequate protection. When I say, "adequate protection" I do not mean high protection, I do not mean low protection, but I do mean such a measure of protection as is necessary to allow industry to carry on—to expand and to pay its workmen the standard of wages necessary for them to live in this country.

Mr. SPENCE (Maple Creek): Will the hon. member admit that agriculture is an industry?

Mr. KENNEDY (Winnipeg): Yes, certainly.

Mr. LADNER: What next?

Mr. HOWDEN: Will the hon. gentleman permit me a question? If conditions are so very much better on the farms than in the cities, would it not be a good plan to have a lot of the city people live in the country?

Mr. KENNEDY (Winnipeg): I may tell my hon. friend that the happiest hours I ever spent in my life were in the country.

Mr. CHABOT: In the summer.

Mr. KENNEDY (Winnipeg): But not all the city people can go to the country. I do not say that in the cities there is no happiness; I do not say that generally speaking there is extreme poverty in the cities; but I do say that there is a large element of our urban people who, if not in absolute poverty, are on the very verge of it.

Mr. FORKE: May I remind the hon. gentleman that some of us who live in the country know something about city life? For three years I was a member of a public welfare commission which inquired very thoroughly into the charitable institutions operating in some of our cities. I may tell him that as a result of that work there is nothing that I do not know about conditions in the city of Winnipeg; in fact, I think I could give my hon. friend some information about his own city.

Mr. KENNEDY (Winnipeg): I will admit to the hon. member for Brandon that there are some features of life in the city of Winnipeg with which I am not familiar. However, if this House adjourns until March 15, and the hon. member goes west on the same train with me, I hope he will stop off at Winnipeg and I will show him what I know of the city, in return for which I hope he will show me the rest—the real high spots.

Now, Mr. Speaker, I was endeavouring to show that there is some relation between the needs of labour and a protective policy, although I must say that the two hon. members who assume to represent labour in this House do not seem to be very much in sympathy with the policy of protection of industry. One of the common arguments used during the last campaign—I believe it has been used in every campaign—with respect to the tariff problem as applied to the Conservative party was this: The Conservative party is a party of big interests, it champions protection because it is linked up with big manufacturing concerns, and it exists for the purpose of giving them a chance to make enormous profits out of the people; such a policy means higher cost of goods to you; vote against the Conservative party.

Let us see whom a policy of protection protects the most, if it does develop industry. Take again a concern in the city of Brandon. It is employing 150 men. Its protection is wiped off and it goes out of business. It is true that the manufacturer is injured. But do not those 150 employees and their families suffer equally with their employer? If you go into a shop in the city of Ottawa this afternoon and buy anything over the counter, out of every dollar you pay it is conservatively estimated that on the average at least 60 cents go to pay the labour that created the article. If a concern is kept going in this country employing a number of people, do not the employees profit? When next the hon. member for North Winnipeg (Mr. Heaps) addresses the House I hope he will deal with that phase of the subject if he is so inclined.

Since we have been in this House telegrams have been read asking this government to give federal relief to unemployed in various parts of Canada. Where are these unemployed? This includes the city of Winnipeg from which we heard. They are men and women who are unable to secure work in the community in which they reside. What do these people want? First and last they need work. Any policy which has the effect of destroying industry or of allowing it to languish is not one which appeals to the needs of labour. On the other hand, any fiscal policy which has a tendency to build up industry, creates employment and when you create employment you are doing something in a real and substantial way for that class of people which the hon. members assume to represent.

It has been suggested that, after all, Canada is not a manufacturing country. I am going to give the manufacturing output of the five leading cities of Canada simply to bring to the attention of the House how vitally a large number of people in this country who may be termed city dwellers are interested in a policy which means steady work. The following is the table for the year 1923, giving the cities in their order of importance industrially:

	No. of establishments	Capital	No. of employees	Salaries and wages	Value of output
Montreal..	1,444	$454,000,000	83,696	$91,307,201	$447,617,742
Toronto..	1,921	389,000,000	81,990	97,051,659	409,228,170
Hamilton..	421	136,000,000	23,564	27,263,253	112,946,317
Winnipeg..	450	76,000,000	12,500	15,854,946	82,942,209
Vancouver..	507	80,000,000	11,400	13,815,995	71,221,905

It is only fair to explain, so that hon. members from Vancouver may not challenge the correctness of my figures, that I put Winnipeg immediately ahead of Vancouver because in the output of the city of Winnipeg I have included that of the city of St. Boniface which is really in the same industrial district known as greater Winnipeg.

I now touch on the question of immigration to this country and emigration from this country and I give these figures. During the years 1921 to 1924, inclusive, there were brought into Canada from all corners of the world a total of 459,923 people. The records of the Commissioner General of Immigration for the United States show that to that country alone in those four years there emigrated from Canada 436,828 people who, when crossing the border, then and there declared their intention of residing in the United States. Does that represent the correct number of Canadian citizens who, during those four years, went to the United States of America? Everyone in this country who is familiar with conditions in the United States knows that they have in operation an alien labour law under which, if a man declares that he is going there to a job, he is at once told to right about face and return to Canada. Many people having that in mind do not declare that their intention is to stay in the United States, but say that they are going there on a trip and are coming back soon. It is conservatively estimated that for every citizen of this country who goes into the United States declaring his intention of remaining there, at least one goes without so declaring his intention. If that be so, then instead of half a million we should double that and say that a million people have gone from this country to the United States in the last four years.

I will not labour that point, but I will ask this House why those people went? In the final analysis they went simply because conditions in this country were such that they could not get work and earn the money to pay their bills. Who went? Many of them people who had been here for ten, fifteen or thirty years. When they went, what did they take with them? Their life's savings. This is what happens in the case of a family that decides to go to the United States. Let us say that a man who has a wife and five children gets out of employment. The boss at the manufacturing shop tells him: "We are slack just now; orders are not coming in, but as soon as business improves we will take you on." The man waits but business does not improve and he is not taken on. He goes to other places and tries to get a job, but he fails. His bills are mounting up for food, fuel, clothing, rent or his monthly payments on his little home, and nothing is coming in to meet them. Eventually this is what takes place in that home: the head of the house sits down some night across the table from his wife and says: "This cannot go on; unpaid bills are mounting up and I have nothing to meet them. The only way I can pay them is to get work. I have walked up and down the streets of this city and I cannot get work."

What is the solution? He says: "I am going away." Does he say: "I am going to a free trade country?" Does he stipulate to what country he is going as regards its tariff policy? No. He says "I am going to a country where I can get work." And during the last four years when a million people turned their eyes from Canada to the United States for work, did they go, I ask those who believe in a policy of low protection, to a free trade country, to a country that believes in a policy of low tariff? No, they went to a country that is recognized as the highest tariff country in the world.

Mr. McLEAN (Melfort): Can the hon. member tell us how many of the people who left Canada went to the other sixty-two countries in the world that raised their tariffs so much in the last few years?

Mr. KENNEDY (Winnipeg): I cannot tell my hon. friend that and I do not know that it goes to the root of the argument at all. The main fact is that they left Canada, and when they left and went to the United States which is a high tariff country, they left that much more of a tax burden to be borne by the people of this country. I say that a country which struggles along under a burden of taxation with a population of ten millions will perhaps lightly bear that burden with a population of fifteen millions. What we want in this country is people. We shall not get them by a policy that drives people out, but only by such a policy

as will build up industry in this country, create employment, and make living conditions attractive to people outside.

Mr. McMILLAN: Does the hon. member know that United States border immigration agents declare that between 1910 and 1920 over 742,000 Canadians went to the United States, while the official census of 1920 told us that there were 78,000 fewer Canadians in the United States than there were ten years before?

Mr. KENNEDY (Winnipeg): It may have been that some of the efflux to the United States during those years was because of the conscription law in this country.

Some hon. MEMBERS: Oh, oh.

Mr. KENNEDY (Winnipeg): I am not applying that to any particular part of Canada, but to all parts, for we had many people in this country from all corners of the world who were not particularly interested in our empire quarrels, and they sought the easiest way out, which was across the line.

Now I come to the last question. There are some matters in the Speech from the Throne of which I have approved. It is true that I have endeavoured to the best of my ability to criticize the Speech in some other respects and point out matters in which it is lacking. I am faced, when the time eventually shall come in this House for the vote to be taken on the Address, as all hon. members will be faced, with the question of how I shall vote. Let me say this: A vote in favour of the Address may not be equivalent to a vote of confidence in the government, yet it clothes with the appearance of authority a government which has neither the confidence of this House nor that of the people of Canada. The Speech from the Throne is not that of a government enjoying that confidence, and without which it has not the right to govern. A vote, I say, in favour of the Address would appear to clothe with authority a government which has the confidence of neither this House nor the country, and I propose to give you a few reasons for my view.

My first reason is because of the declarations of the first minister himself, made at Richmond Hill, where he declared:

> That brings me to the situation with which at the moment the government is faced. As a government we can carry on until 1927 if we so desire. As I have already said, I have not the least doubt we shall be able to command such support as we all along have had in the House of Commons at another session; but shall we be able to do more than that? That is the question I have put to everyone of my colleagues in the government and to not a few of the members. It is a question I now put to you who have honoured me with your representation in the House of Commons. It is a question I put to the electorate of this country. Is it sufficient that as a government we should continue in office, drawing our indemnities and salaries as members and ministers and enjoying the other fruits of office when great national questions press for solution, with which for want of an adequate majority in parliament we are unable to cope

Now if he was unable to cope with those problems with a majority of one over all in this House, how can he assume to cope with these same national problems now, labouring under a minority of sixteen under the largest group in this House?

I advance another reason! Because the government lacks the power to initiate and carry into effect even such legislation as it believes this country requires. If you want proof of that, all you have to do is to examine the Speech from the Throne and you will find that it forecasts no legislation seeking to solve any of the national problems which the Prime Minister himself said must be solved. It contains only such matters of promised legislation as were necessary for the purpose of securing the support of certain economic groups in this House.

Again, I say, because the government lacks its quota of ministers of the crown, we have the situation in this House of a government which presumes to govern when we have not sitting in this House a Minister of External Affairs, a Minister of Railways, a Minister of Immigration, a Minister of Trade and Commerce, a minister having charge of the Post Office department, a minister administering the Department of Soldiers' Civil Re-establishment, or a Minister of Labour; and also because the government is without in this House its real directing leader.

Again, because lacking this quota of ministers it really formulates its policies, not through ministers responsible to the crown, but very frequently through those whom it attempted to elect as ministers in the last election but who were rejected at the polls. I refer to such men as Mr. Massey, Mr. T. C. Norris, Mr. Marler and others.

Again, because it lacks a leader who holds the confidence of the people of Canada. I say to this House, and I say it not in any discourteous way, that the record of the Right Hon. Mr. Mackenzie King in the Dominion of Canada politically is not such as to command the confidence of the people of Canada to-day. For proof of that I point to his record. He entered parliament in 1908 for North Waterloo; in 1911 he was rejected by North Waterloo; in 1917 he was rejected by the constituency of North York; in 1919 he was elected by acclamation in the province of Prince Edward Island in a by-election; in

1925 he was rejected a second time by the constituency of North York; and now, it is true, he is representative for the constituency of Prince Albert.

Is there any reason for that record of defeats? I suggest that the reason is because the Right Hon. Mr. Mackenzie King as leader of the Liberal party does not possess the confidence of even the Liberals throughout the Dominion of Canada, and that is because on all matters of national concern, when pressed for a solution of these problems he has never attempted directly to deal with them in any courageous way, but rather his manner of dealing with them has always been characterized by vacillation and uncertainty. That is why he has lost the confidence of the people of Canada.

There is another reason to which I wish to refer, and it arose during the last election, and that was the spectacle of the first minister of this country going throughout the constituencies of this country and seeking to offer a political bribe to the electorate by saying to them: If you elect so and so, you elect a man with a portfolio attached to him. I submit that that was highly improper for a first minister. I submit that once a man is elected, then, if a government sees fit to honour him with a portfolio, it is a matter for him to go back to his constituents and say: "The government desires me to take this portfolio." I say it is an improper thing for a prime minister to declare to a constituency: "If you elect so and so I will make him a cabinet minister." That argument was used. Where? It was used in an endeavour to elect the Hon. T. C. Norris in the constituency of South Winnipeg. But the electors of South Winnipeg declared that they would rather have the hon. member (Mr. Rogers), who to-day is welcomed back by all sides of this House, than the Hon. T. C. Norris, even with a portfolio attached. What did the Prime Minister say as to a portfolio for Mr. Massey? Speaking at Bowmanville, on October 19, according to a Canadian press report, he said:

> "I intend," announced Mr. King, "to give him one of the best portfolios I have."

Well, the people of that constituency decided to elect the hon. member who now represents them here, rather than send to parliament Mr. Massey, even with the best portfolio that the Prime Minister could give him.

Again I say we should not vote confidence in this government. We should not do so because this government deliberately shirked a straight vote of want of confidence on the motion that was introduced the other night. We should not do so because it exists only by reason of the support of a majority of normally three who have not confidence in it. You can pick those three members wherever you like among the government supporters. If you do so you will frequently find that that majority is represented by three or more men who are not in sympathy with this government on matters of principle, who have declared time and time again during the election campaign that they had no confidence in it. If you wish one example, I will give you that of the hon. member for Rosetown (Mr. Evans) who is reported as having said, in discussing the matter of a coalition between the Progressives and the Liberals after the election:

> There can be no coalition as long as the Liberal party is wallowing in the mire of corruption as it is.

There is one of the majority of three. But the hon. member for Rosetown seems to have changed his opinions on his way down here from his constituency. I cannot suggest what induced him to adopt the course he has followed, but it reminds me of the story of Mary Malone. She decided to leave her native parish in Ireland and seek work in England. So she waited on the parish priest, told him her plans, and asked him for a reference. He gave her a certificate of character, but during the course of a severe storm on the passage over to England she lost her certificate. She went to the captain of the ship and told him her trouble. "Oh", he said, "I will fix that all right," so he wrote out a certificate that "Mary Malone left the city of Dublin with a good character, but she lost it on the way over."

Mr. EVANS: I should like to inform my hon. friend that it is not a matter of changing my mind; it is a case of choosing between two evils. In such a case as that what are you to do?

Mr. LAPOINTE: The hon. member would not like to change from bad to worse.

Mr. KENNEDY (Winnipeg): All I can say is that so far as the hon. member for Rosetown is concerned the government can count on his support under all circumstances, and under all conditions, no matter how corrupt it may be.

Again I say the government does not enjoy the confidence of the country. I might refer to another of the majority of three, and I do not do so in any slighting way. I mean the hon. member for Southeast Gray (Miss Macphail) who in this House, I think, de-

clared as plainly as words can declare that she had no confidence in this government. I do not think that the hon. member for North Winnipeg (Mr. Heaps), who sits opposite, expressed any great admiration for the government of the day, either during his campaign or since he has come into the House. As a matter of fact if we take the reason given by the hon. member for Rosetown for his action what does it amount to? That he is only supporting this government as the lesser of two evils. Then I ask, is that such a measure of support as a responsible government should depend upon? I say that a government which depends upon the support of members, which expects them to vote for it, because it is the lesser of two evils is not fit to remain longer in office.

Mr. EVANS: Will the hon. member permit me another question? Even supposing what he says were true, would the Conservative party be in a better position, seeing that they were also in a minority?

Mr. KENNEDY (Winnipeg): I think the hon. member will have to wait and see. He will at least admit this: That when the present leader of the Conservative party makes a promise to the Canadian public he will carry it out, and from all corners of this House I have been pleased to hear expressions to that effect. The right hon. leader of the Conservative party entered parliament in 1908. From that time to this the hour hand of time has made many revolutions, but to this moment the hour has not yet struck when a promise of the right hon. leader of this party given publicly has passed at a discount from its face value.

I say this government does not possess the confidence of this House or of the Canadian people, because it wants to adjourn. When it wants to adjourn, instead of going on with the public business, it offers no other substantial reason than that it is tired and wants to go home. This government, unable to legislate, is unable to meet its obligations. When a man in private business cannot meet his obligations there is only one thing left for him to do. The same thing applies to a government. A government which can no longer meet its obligations ought in common decency to meet its creditors.

The government has ceased to guide the ship of state in this country. That ship is not guided by a man at the helm; it has lost its rudder; it is drifting helplessly without a pilot. Faintly perhaps to the ears of Mr. King but plainly to the ears of the people of Canada came the sound of breakers ahead. On October 29th last this government was tried by the people of Canada; the judgment rendered was that they had no confidence in the administration and that it should be evicted. The days of grace within which the government should have vacated the treasury benches have expired, and at this hour the sheriff of public opinion, armed with a warrant of eviction, stands knocking at the door.

Mr. L. J. LADNER (Vancouver South): Mr. Speaker, I am sure that all members present will join with me in felicitating the hon. member for Winnipeg South Centre (Mr. Kennedy) upon his maiden effort. To have spoken at such length, to have furnished the House with such a comprehensive review of the political situation in Canada, and to have made such an arraignment of the government and such an exposition of its demerits is an accomplishment which deserves, I think, the commendation of hon. members generally. We of the Conservative party who have been longer in parliament are pleased to find on our side in this House a number of new arrivals of such capacity, energy and ability, as will in the future ensure the vigour and the permanence of that party in this country.

I desire, Mr. Speaker, to offer a word of appreciation of yourself, and I wish particularly to congratulate the House on having in the Speaker's chair a gentleman of such superior cultural attainments, of such complete mastery of the English and French languages, of such wide experience in parliament, of such grace, dignity and knowledge of men's attributes—attainments which qualify Your Honour exceptionally well for the high position which you occupy. Having been in parliament for four years I know that on many occasions the position of Speaker has been a difficult one, calling not only for the exercise of sound judgment but for a great measure of patience and an attitude of courtesy and conciliation. These qualities, Sir, you possess in ample degree.

The Speech from the Throne brings to my attention the regrettable fact that the time will soon arrive for the relinquishment by Their Excellencies of the high positions which they hold in this country. As a great soldier Lord Byng did wonderful work in defence of the empire and of our own nation. As a statesman, as a governor general and as a man, I think I am safe in submitting to the House that Lord Byng has no peer in the annals of Canadian history. My hope is that the government and parliament as a whole may be able to prevail upon the government of Great Britain to extend their time in the high office their Excellencies now occupy

when their period of service is concluded. We are all fully aware that their Excellencies Lord and Lady Byng of Vimy will receive from the people of Canada the hand of gratitude and friendship. I am sure they will from the people of British Columbia; we would welcome them to the citizenship of that fair province.

The country to-day is faced with a number of grave and very serious problems. Those hon. members who have studied our history prior to 1867, when confederation was brought about, will agree that the union of Canada at that time was largely a political union of scattered states with diversified economic interests. In Canada to-day we have arrived at a time when we need new makers of confederation—not a political but an economic confederation. Throughout the length and breadth of Canada we hear of growing bitterness; we hear expressions of sectional feeling and the voicing of ideas which indicate intensive thought along economic lines. In one portion of the country they would have no tariff, in another portion a very high tariff, in another a medium tariff. In one section they would oppose the export of natural resources; in another they would encourage it. So that the problems of Canada have largely assumed an economic aspect, and their solution requires the skill, the judgment and the ability of men of business, of men of affairs, if general advantage to the country is to result. In facing that situation the government necessarily plays a

5 p.m.

most important part; but instead of having a government of action, of vigour, of aggressiveness and of capacity, we have a government of weakness, of inaction and of incapacity—and, I may say, without being offensive, of political expediency. It is to that phase of the situation that I desire to address some of my remarks this afternoon, in order to bring to the attention of hon. members, and ask them to give some study to, one important question which affects western Canada. I refer to the question of the natural resources and the question of western development.

Before, however, dealing with those particular matters in detail, I should like to remind the government that in the Speech from the Throne we see no reference whatever to a possible solution or proposal for solution of problems affecting our ex-soldiers. These are many and difficult. Experience in the administration of existing laws has demonstrated the necessity of changes, some of them of vital importance. Throughout the country soldiers' organizations are complaining of lack of attention to these matters. The Speech from the Throne does contain reference to old age pensions. And it is interesting to observe that when this matter of old age pensions—for which I have always stood; I believe them to be in the interest of the country, and that the country can well afford to provide for them—came up last year, the government passed the matter to a committee of the House. When the report of the committee came in, no action was taken by the government, because the report recommended that there should be a conference of premiers to consider not only the matter of old age pensions, in which the provinces have or should have an important interest under our constitution, but also a number of other questions of importance to the provinces and to the federal government. In that connection the Minister of Justice (Mr. Lapointe) speaking on February 18, 1925, made this statement:

> If I remember well the language of the Speech from the Throne, it is that a conference shall be called together for the purpose of considering amendments to the British North America Act with respect to the constitution of the Senate and other matters. Surely this—

Referring to the resolution of the member for South York (Mr. Maclean) respecting a suggested amendment of the British North America Act to enable Canada to amend her constitution.

> Surely this would be one of the matters which the government would submit to such a conference.

And amongst other matters was that of old age pensions. The whole tenor of the debate, the attitude of the government and the promise of the ministers, was that they would call a conference to consider these questions in which the provinces had a vital interest and had to be consulted. But what has happened? Not a single thing has been done towards calling that conference. But all of a sudden the government announces in the Speech from the Throne that they have evolved a scheme for old age pensions, the value of which will only be known when the legislation is brought down. There we have another indication of political expediency. One time it is an excuse for taking one course; another time there is excuse for taking a different course.

We have heard considerable discussion in the House about the election last fall, and I shall not weary the House with details. But there are some things which I wish to bring before hon. members, because the promises of the leaders of public thought, especially the leaders of the parties, play an important part in the crystallization of public opinion, and in enabling the public to understand the attitude of the parties on the great

issues of the day. In the election of 1925 we saw repeated many of the practices which were common in 1921. Local issues became the dominating subjects of contest in the various districts. In 1925 in British Columbia, and particularly in greater Vancouver where there were four candidates, the question raised by the Liberal candidates was that of freight rates. There the Liberals claimed the championship of lower freight rates, and the tariff was not an issue. They were all agreed that we ought to have a protective tariff. The propaganda engaged in by the Liberal press and candidates, as well as by advertising, was to the effect that the Liberal party was the champion of lower freight rates and that the Right Hon. Mr. Mackenzie King had given an assurance that there would be a still further reduction. It was stated also quite incorrectly and unfairly that the Conservative party stood in the way of that reduction. I have before me a number of election advertisements as well as some of the speeches delivered by the candidates and reported verbatim, and one of the most interesting of those speeches is that of Mr. G. G. McGeer who ran against my distinguished colleague the hon. member for Vancouver Centre (Mr. Stevens). When Mr. McGeer made his speech we had a stenographer report it and a copy of that report I have here. I desire to read for the benefit of the House an extract from Mr. McGeer's speech so that hon. members may appreciate the nature of the campaign in Vancouver and the difficulty of the public in grasping the real issues in that contest. Speaking at the Liberal convention on September 22, 1925, Mr. McGeer said:

> I believe we have accomplished a great deal. We have secured freight rate reductions that have shown to the people of western Canada the value of freight reductions, and the difficulties under which we have laboured in the past. We have done this: we have roused in western Canada a sense of public resentment and we have made equalization of freight rates the foremost national subject in the Dominion of Canada to-day. But more than that, we have received from the Prime Minister of this Dominion a declaration that he will give to western Canada equality of treatment and see that they get impartial justice and fair play. This is the first time this has been accomplished in this Dominion.
>
> We now have the opportunity as electors to accept the Prime Minister's word or we can repudiate his promise, and that is going to be the issue in this coming election. There are wrongs to be adjusted; there are rights to be declared, and we can go on if we will appealing to the Board of Railway Commissioners and the other courts of this Dominion, but I say to you, there is one court in which this issue can be finally settled; there is one place where the people of Canada can get lasting and final justice, and that is in the court of public opinion, and, when that is done, it will be written in the lists of the parliament of the Dominion. As your counsel—

[Mr. Ladner.]

Mr. McGeer happened to be counsel for British Columbia in connection with freight rates.

> —to-day I advise you to take the Prime Minister at his word, accept his declaration and his new national policy, and send a representative to parliament that will see that that is written in the statutes of the Dominion.

Hon. members who have studied the question know perfectly well that it was not the intention of the Liberal party nor of the government to write in the statutes of the Dominion anything further with respect to lower freight rates. They should have brought this about in June last; they started to make a reduction which would be of equal advantage to the Pacific coast and to the people on the route going from the prairies eastward. But they failed to give justice to British Columbia. In the election practically every candidate and every speaker in the district focused his attention and his discussions upon the question of freight rates, distorting the position of the Conservative leader and of the Conservative party, and putting into the mouth of our leader phrases and opinions which he never uttered. Consequently they perverted the facts so that the electorate hardly knew what those facts really were.

I mention these things because they are so significant of the campaign generally throughout the country, serving at the same time, as they do, to recall to us something of what occurred in 1921. In my judgment the government in this contest, through their candidates and their speakers, should have discussed their record of the past four years, but they said not a word in that respect either in defence or in approval. In 1921 the declaration of policy was that there would be severe economy in public expenditures. Of that, in the election of 1925, we heard not a word. In 1921 they promised to bring into effect the League of Nations principles in regard to labour, as set out in their platform; but so soon as parliament assembled and the business of the House got under way they forgot all about their promises. In 1925 they had no statement to offer on this subject. In 1921 they promised an adequate system of unemployment insurance together with old age pensions, widows' pensions, and even maternity benefits. They were going to take care of everybody. But hon. gentlemen who were here during the past four years know perfectly well that, apart from old age pensions, no serious discussion took place on any of these questions; not a single proposal was submitted by the government to parliament. Of all the promises made in 1921, and which

no effort was made during the course of the last parliament to implement, the Liberal party, in promising cash grants or bonuses to soldiers' dependents, in addition to the gratuities already granted, assumed probably the greatest and most responsible obligation —an obligation to a class of people who had given their service to the country and who waited in anxiety and with some confidence in our public men who had made these promises to have them fulfilled. To the disgrace of the Liberal party and of its leaders, I say that during the whole of the four years they were in power in the last parliament they never uttered a single word in recognition of this particular promise, never gave any explanation of their delinquency in the matter, and never brought down a single line of legislation. When the election of 1925 came and we charged the government with default in this and all the other respects in which they had failed to live up to their promises, they had nothing to say. Of course they could say nothing, for they had done nothing. As a matter of fact, during the four years that parliament sat under the direction and control of the Right Hon. Mr. Mackenzie King and his government not a single pledge of the 1919 platform, nor a single assurance given in the 1921 campaign, was actually honoured; not a single one. I leave it to the fair judgment of any hon. member who has studied these questions to determine whether or not my assertion in this respect is justified.

Perhaps the real spirit of the policy of the Liberal party in 1919 and in 1921, a policy of political expediency, can best be understood in the light of that classic dialogue of questions and answers which took place at Saskatoon at a meeting addressed by the Prime Minister, when somebody in the audience interjected in the course of the right hon. gentleman's speech a number of questions, the answers to which revealed his attitude when faced with the actualities of statecraft and the problems before the electorate. I am not going to cite many of these things, but I do desire if possible to impress upon hon. members the necessity for the leaders of our parties to carry out their pledges in a statesmanlike manner instead of bending to the whims of sectional influences and of sectional inducements. That meeting took place at Saskatoon. I am reading from a report of the Canadian Press, dated Saskatoon, October 7, and published in the Montreal Gazette:

"I want to make my position perfectly clear," exclaimed the premier. "The government wants to have that road completed, and to have it completed immediately."

Referring to the Hudson Bay railway.

"That is our desire. But how far can we go in the carrying out of our desire must depend upon the complexion of parliament." "How many miles per member will you complete?" queried a voice. The question caused a laugh. Mr. King: "I am afraid that if I say that I will go the limit if you will go the limit, Mr. Meighen would say that I am trying to bribe this constituency on the prairie."

Well, the rules of the House would prevent my right hon. leader saying what such a promise really amounted to, but a great many people outside parliament would certainly so express themselves.

Another voice broke in; "How long are you going to wait for the prosperity which is at the other end of the 92 miles of railway?" "That depends, "returned Mr. King, "on how strongly we are supported in western Canada, but if I find that the Liberal party has no representatives from Saskatchewan, do you think I can get the people from the other provinces to support an appropriation for the Hudson Bay railway?"

I ask you, Mr. Speaker, and, through you, hon. members, if that is a commendable example of statesmanship from the leader of a great party?

Again there was an interruption that the Progressives had kept the government in power. "No, Sir, and they never did," Mr. King shouted back.

I wonder what he will say when he returns to the House.

"The Liberal party does not want to build the Hudson Bay railway," interrupted the heckler. "That is untrue," the premier warmly returned, "the Liberal party wants to build it, but we cannot build it unless we have sufficient Liberal support from the prairie provinces to work with the men of other provinces, because you cannot get the House of Commons to vote the money unless you have unity of action.

Unity of action! The "unity of action" we find to-day is the arrangement between the government and our friends of the Progressive party. There it is at its maturity. Let me give another extract from this interesting and instructive report:

"You forget that Canada is growing," Mr. King returned.

This reply was in answer to an inquiry relative to a vote of $5,000,000 for the Quebec harbour.

Another questioner wanted to know why the vote had gone to the Quebec harbour. "We get a certain amount of support from Quebec," said Mr. King. He added that the argument that the government should do nothing for the people who supported it and give everything where it got no support—well, human nature would not stand for that sort of thing.

Mr. RINFRET: That is all right.

Mr. LADNER: The hon. member for St. James says that that is all right. Well, that may be the political standard of our friends of the Liberal party, but I hope the Conservative

party will never adopt it. Such a principle of action is ruinous to the country, for it corrupts the people; it causes men to seek office by promising all sorts of things to the electorate, instead of basing their appeal upon the enactment of legislation for the general welfare of the Dominion. It is a poor exhibition of statesmanship—in fact it is not worthy of the name of statesmanship. I take another quotation from this interesting report. It relates to the alternative vote.

> Mr. King said that had the alternative vote been adopted Liberals would have had advantages in a number of three-cornered fights, "but," he added, "I am coming to see more clearly that the alternative vote will help to perpetuate the group system, and I believe the group system of government bad."

He believes it is bad—that was in October last. Now that the election is over he comes right back to practise what he then believed to be bad. He joins with the Progressive group and promises the single alternative vote to maintain himself and his government in power against the clearly expressed opinion of the majority of the electorate.

Now, Mr. Speaker, I have referred to these things because they are a sample of the campaign generally which was carried on last October. I believe that the questions and answers contained in this report of the Saskatoon meeting are very significant, particularly the question, "How many miles per member will you complete?" I think it aptly expresses the policy of the government in this present parliament. The Speech from the Throne discloses beyond doubt to any reasonable man who understands the great questions of the day that the whole purpose of the government's action is to seek the support of the Progressive members in order to maintain itself in power. In other words, the government is carrying out the policy of "How many miles of railway per member will you complete?" They have now got the support of twenty-four Progressive members. Just how many remaining miles of the Hudson Bay railway will be built? Well, the Prime Minister has run in Prince Albert in the meantime, and no doubt the whole road will be completed. You will observe, Sir, that in Saskatoon the question of the Hudson Bay railway was paramount; the report does not reveal any other subject of discussion. In Vancouver the question was freight rates, while in some other cities it was low tariff. I refer to these matters because I believe that instead of creating that unity of spirit and of action and promoting that good will among our confederated provinces which every true Canadian should try to foster, this temptation of yielding to the demands of certain sections of the country in order to secure votes is bad for the Dominion and must inevitably bring about sectional ill-will and disunion.

I purpose now to deal with that portion of the Speech from the Throne relating to the transference of the natural resources to the province of Alberta, namely:

> Your attention will be invited, among other measures, to a bill to provide for the transfer to the province of Alberta of its natural resources.

I recall to Your Honour that in the Speech from the Throne of 1922 a declaration was made that their natural resources would be handed back to the three western provinces. In keeping with the general sluggishness of the government, nothing at all was done to redeem that promise, but now, at this critical moment, when the government's fate depends upon the Progressive members, several of whom come from Alberta, the government suddenly awakens to the realization that it is in the best interests of western Canada to hand back their natural resources to those provinces. I wonder why the government has not come to an arrangement with the province of Manitoba, which has sent a number of Conservative members to this House? Those who have made a study of this question, particularly those who have read Mr. Chester Martin's little book, will undoubtedly agree that there are strong reasons why the province of Manitoba should receive its natural resources just as well as the province of Alberta.

Mr. DARKE: Is the hon. member aware that the same terms offered Alberta were also offered to Saskatchewan and Manitoba?

Mr. LADNER: I do not happen to be in the confidence of the government, but I have noticed that its conduct frequently co-ordinates with prevailing political conditions. In other words, I would judge that the agreement made with the province of Alberta is largely influenced by the advantages accruing to the administration from the support of Progressive members from that province.

Mr. DARKE: What about Saskatchewan?

Mr. LADNER: Saskatchewan seems to have been looked after in another way. I refer the hon. gentleman to this Saskatoon speech.

Mr. MEIGHEN: They are just ordinary Grits.

Mr. LADNER: My right hon. leader suggests that the Saskatchewan members are "just ordinary Grits." The government has got them, anyhow.

Mr. DARKE: But they did not need to be bribed.

Mr. LADNER: If the hon. gentleman will read in Hansard the quotation which I have made from that famous speech in Saskatoon, he will find there the main incentive for most of the arrangements to be found in the Speech from the Throne.

I have taken for some time an interest in the question of the natural resources of the western provinces. In 1922, when I spoke on the Address in reply to the Speech from the Throne, I went somewhat exhaustively into the matter and into the claims of British Columbia with respect to the natural resources that were taken from our province unfairly and unjustly in order to bring about the completion of the Canadian Pacific railway. The principles underlying that problem are the same as those which apply in Alberta, Saskatchewan and Manitoba.

On January 26, at the request of a certain Toronto newspaper, I made a suggestion with respect to the railway belt and the Peace river block in British Columbia, and with respect to the Pacific Great Eastern railway and the very extensive land grants given to that railway and with respect to the Canadian National Railways. My proposal was published in the Vancouver Daily Province, and the next day Mr. Oliver, Premier of British Columbia, made a reply upholding a certain proposal that he had in the way of legislation for handing over the Pacific Great Eastern railway with some 16,075,000 acres of land to certain United States financiers who, it appears, were contemplating taking over this system. About ten days later Mr. Oliver, leader of the Liberal government, made in Vancouver a speech which was published in full in the Morning Star, a Liberal organ, of the 6th February, in relation to the same question. I make reference to this because I believe it is the first step by my good friend Mr. Oliver, who is a shrewd and able tactician in political matters, in connection with the next provincial election and, perhaps, in connection with the next federal election.

This question of British Columbia's claim for better terms had its inception in 1906 when Sir Richard McBride was leader of the Conservative government, and that question as well as the claim for lower freight rates began about the same time, the fight being carried on for a number of years. When Mr. Oliver became premier he took up the question of lower freight rates, and after enticing to his support non-political bodies such as boards of trade and other organizations in British Columbia, he finally made the freight rates question the centre of the hottest and fiercest political fight that has been carried on in that province. The question of freight rates became not only the centre of the political contest provincially, but the centre of the contest federally in the last election. Mr. Oliver proposes to hand over the Pacific Great Eastern railway, together with 16,075,000 acres of land containing many valuable assets, to these United States financiers, and he is making a claim on the federal government for the return to the province of the railway grants which originally consisted of about 13,000,000 acres but of which about 10,600,000 acres remain; and claims also the Peace river block.

That is the position of British Columbia at the present day. I make a proposal quite different from that. I think it will be a misfortune for Canada, and for British Columbia, if we allow a strip of land forty miles wide along the Pacific Great Eastern railway, with great resources in timber and mines and beautiful scenery, to be taken over by foreign interests of any kind who would gain a proprietory interest in those lands and in that railway. It is rumored that Mr. Oliver intends to call a summer session of the provincial legislature in order to consummate a deal which is under consideration and which was authorized to some extent by the last legislature. When my proposal was published in the Vancouver Province on the 26th January, Mr. Oliver the next morning made this reply which I will read because this is a matter, not only of provincial importance, as I will show in the development of my argument, but of national importance. Mr. Oliver made this reply:

(Special to the Province):

Victoria, January 28.—If American capitalists are willing to take over the Pacific Great Eastern railway, together with vast areas of subsidy land, they will not be barred on account of their nationality.

This was made clear by Premier Oliver when he issued a statement replying to the suggestion of Leon Ladner, M.P., as reported in "The Province," that the P.G.E. be kept in British control.

"As to whether British, Canadian or United States capital secures control of the railway and the subsidy lands matters but little," the premier asserted in his statement.

"If it is a private corporation it will operate for profit. Again, capital knows no international boundaries. If the railway and the lands are acquired by Britishers or Canadians their stocks would be marketable in the United States—British to-day, American to-morrow or the reverse.

"In respect of the P.G.E. and its lands being acquired by the Canadian National Railways, Mr. Ladner's suggestions are very similar to the policy of this government, as first outlined by myself in a letter addressed to Hon. George Graham, Minister

of Railways, dated April 30, 1925, and as outlined in an address to the Vancouver Board of Trade this month. I am very pleased to see a Conservative member of Parliament endorsing to a large extent a policy proposed by myself."

As a matter of fact, I am condemning the policy proposed by Mr. Oliver and I am repeating the policy which was proposed in this House in 1922 by myself and by other Conservatives in years gone by, particularly by Mr. George H. Cowan, who was formerly a member of this House. I submit to the House and to the government the wisdom of retaining the Pacific Great Eastern railway with its 16,075,000 acres of land under the control of the Canadian National Railways. If the Pacific Great Eastern Railway and these vast resources are of sufficient importance that the United States financiers are willing to come in, take them over, assume the obligations and complete the railway in order to gain the advantages from the resources that lie along the railway, surely such a proposal must be equally sound and advantageous to the Canadian National system which would have not only the resources but control of an important railway system.

I suggest that not only could the Canadian National Railways take over the Pacific Great Eastern railway and these lands, but the Peace river block composed of 3,500,000 acres of land, which has long been in dispute between the province and the Dominion, could well be handed over by grant to the Canadian National Railways. That would ensure to the Dominion and to eastern Canada in particular freedom from demands on the public treasury by the Canadian National system as a result of taking over the Pacific Great Eastern railway. I suggest that the Canadian National Railways should build and the future development of this country will make it necessary to build a railway from the Peace river district to connect with the Canadian National Railways at or near Fort George, either through the Peace or the Pine pass, and in that way an outlet will be given to the vast area of the Peace river district. I know some hon. members will not be much interested in this and will not understand it; but in that Peace river district there is a great empire; there are about 70,000,000 acres of land of which 20,000,000 acres can be brought under cultivation. When you consider that eleven million acres of land under cultivation in Alberta produced 110,000,000 bushels last year, you begin to grasp the immensity of the Peace river area, its importance in the west. and its opportunities for immigration and development. I submit, Mr. Speaker, that not only should we retain these railway systems, but the Canadian National should take over the Edmonton and Dunvegan railway by arrangement with the province of Alberta, so that our government-owned system would have control over the different western railways, the Pacific Great Eastern and the Edmonton and Dunvegan, and then in co-operation with the government as well as with the other great railway system, the Canadian Pacific railway, they could undertake a scheme of immigration and colonization for the Peace river and other districts in western Canada.

This country is in need of immigrants. All hon. members, the press, and the public tell us that the solution of our problems, financial and otherwise, is to be found in the presence of more people in this country. We know that is the solution, but I submit that we cannot get people into this country unless the government takes the initiative in formulating a constructive policy which will induce people to come to Canada, and which will provide them with the means of making a living after they are here. For that reason I commend the government for the arrangement they have recently made for securing immigrants through the co-operation of the Canadian National and the Canadian Pacific, whereby the two railway systems in a businesslike way will seek out suitable immigrants in Europe, and take the responsibility for placing them in western Canada, and see to it that they remain in western Canada to carry on the development of the country. I believe the scheme is sound, and I am suggesting to the government that the scheme should be extended to cover more completely the British Isles, so that our immigration policy would be based, not upon political expediency, not be subject to the whims of changing ministers, for we have had three or four ministers of immigration in three or four years, not be subject to a change of policy with a change of party in office, but there should be such continuity of policy and of business arrangements that the average business man who wants to make a capital investment in a pulp mill or factory of any kind in this country, and the average man who wants to settle on a farm, could go to certain business people such as we have in these two great railway systems and make his plans and arrangements for perhaps the next ten or twenty or twenty-five years to come. In that way, by taking the business of immigration and colonization out of politics and away from government and putting it under the control of competent business management, with a consistent businesslike

policy, we will secure results in Canada better than we have had in the past. The immigration policy in the past has been a complete failure. There has been practically no immigration in the past ten years. I readily admit that it is largely due to the low tariff that we have and to the economic conditions of the country, but I also believe that the system which has been followed by the government in the matter of immigration has been no system at all. The policy has been changed so frequently that no one can depend upon its permanency, and no man can know when he comes here with his capital what will happen to his venture.

I relate this question of immigration, Mr. Speaker, to the general development of western Canada. The Prime Minister has intimated in one of his political speeches that the spearhead of immigration was pointing westward. My right hon. leader has pointed out that statistics show that the spearhead of immigration is pointing southward, which has resulted in very little access to our population during the last ten years. I urge upon this House, in my small effort to make a contribution towards a solution of the problems of this country, the wisdom of placing in a business-like way the control of the securing of immigrants in the hands of the management of our two great railway systems, subject to such restrictions as will protect the treasury of this country and the interests of the country at large. I suggest, I repeat, that the Canadian National railway system, without demands upon the public treasury, without obligating the government of Canada, without obligating the system itself, should be endowed with such grants of land as would enable it to take over the Pacific Great Eastern and the Edmonton and Dunvegan railways, and thereby be put in a position to settle these immigrants who come in throughout western Canada. That could be done without any trouble. In the Peace river district there are between 65,000,000 and 74,000,000 acres of land, of which 20,000,000 acres can be brought under cultivation; of that, 13,000,000 acres is class A land which will require no expense to bring it under cultivation, and the other 7,000,000 acres would require perhaps from $3 to $5 per acre to be made suitable for the growing of grain.

Mr. Speaker, an arrangement of that kind might involve not only the giving of the Peace river block now owned by the Dominion government to the Canadian National Railway, thereby settling a dispute between British Columbia and the Dominion of Canada, but, if necessary, the government should make such further grants of land out of the great Peace river area, which is owned by the Dominion government, as would absolutely ensure to the Canadian National system freedom from any financial obligations or loss in getting control of these two railways I have mentioned. I make this suggestion for what it is worth, and I am hopeful that in the course of time something like this will be done. I submit that this country will not develop unless some active, aggressive scheme is worked out and pushed forward, and the development of Canada to-day depends largely upon the development of western Canada and upon the opening up of these new areas.

Mr. DARKE: In that 60,000,000 acres, does the hon. member include the Peace river district in Alberta?

Mr. LADNER: Yes. The proposal I submit necessarily involves an arrangement not only between British Columbia and the federal government but also with Alberta. I am told that Alberta has actually control of the Edmonton and Dunvegan railway by arrangement with the bondholders. The situation is ripe. All the integral parts required to be brought together to enable development to take place are there ready to be taken over. The economic situation of the country at large makes it possible to make arrangements that would enable the Canadian National system and the government to take hold of this enterprise at the very minimum of expense, with all the opportunities which are bound to develop in the future.

Mr. BALDWIN: What is the mileage of the Edmonton and Dunvegan railway?

Mr. LADNER: I do not know the exact mileage, but the price asked by the Alberta government is in the neighbourhood of $15,000,000.

Mr. BALDWIN: Several hundred miles, probably.

Mr. LADNER: I understand that the Edmonton and Dunvegan railway is a remunerative system, and only a little extension by way of branch lines will make it quite profitable. I make this proposal so that hon. members and the people of eastern Canada will not feel that the public treasury of this country as a whole would be obligated with respect to this railway enterprise in the west. I think the west has now reached the stage where it can and should finance its own railway enterprises.

Now, Mr. Speaker, I have made a suggestion, but involved in that suggestion is the

question of the natural resources of the four western provinces. It will be a matter of very great interest to those hon. members who take the time and the opportunity to read the history of that problem. I will not worry the House this afternoon with any historical data, but I wish to bring to the attention of hon. members some of the principles on which the demand for the return of these natural resources is based, particularly that of British Columbia.

Before the western provinces became part of confederation, the six original provinces of Canada comprised an area of approximately 500 million acres. There remained a vast empire of nearly two billion acres which was the common property of the confederated provinces, as well as the unorganized territories of the country. By legislation enacted in 1899 and 1912, Ontario received land to the extent of 150 million acres, giving that province a total of 261 million acres, practically doubling its size. That legislation gave to Ontario lands of great value in mineral wealth, in timber, and in pulpwood. The province of Quebec by similar legislation in those years received lands which increased its acreage from 124 millions at the time of confederation to 452 millions. In other words, the province of Quebec is now four times its original size, and in these great additions of acreage it received properties which are now disclosed to have immense wealth in minerals, timber, and other resources. I wish hon. members from the eastern sections of Canada to bear those facts in mind when considering the claims of British Columbia and the other western provinces, because it will be found that in the course of events the western provinces, instead of receiving additions to their acreage, have been deprived of their natural resources which under the law of public domain was actually their property and should have been given to them. The province of Nova Scotia, through the construction of the Intercolonial railway, from which of course other provinces benefited as well, received the benefit of an expenditure of $160,000,000.

Mr. EVANS: Before the hon. gentleman gets too far away from the point, will he say why their natural resources were not given to those provinces?

Mr. LADNER: To the prairie provinces?

Mr. EVANS: Yes.

Mr. LADNER: Well, it is an exception so far as the colonial development of the British Empire is concerned. In the course of the last three hundred years, under the law of public domain, every self-governing colony, state and dominion, although the lands are vested in the crown, receives on incorporation the right of administration and a beneficial interest in all natural resources. I may as well deal with that point just at this stage.

Before British Columbia and the other western provinces entered confederation, the lands in those provinces were licensed or granted to the Hudson's Bay Company or other companies. They were either granted by charter or licensed to those trading companies. British principles with regard to the public domain are very ancient, and they have been known to all the colonies and dominions of the empire since their inception. The public domain—that is, lands unappropriated—has been and still remains land vested in the crown; but when a government is formed to take control of the country it secures the right of administration of the public domain and the beneficial interest therein. That principle has been accepted, as I have said, in the case of every self-governing colony or dominion with the exception of western Canada. When confederation took place in 1867 the provinces of Ontario, Quebec, New Brunswick and Nova Scotia received their natural resources, under the law which then existed with respect to the establishment of self-governing colonies, and also by virtue of section 109 of the British North America Act. Under this section the beneficial control of the public domain was vested in the several provinces. If you examine the constitutional history of New Zealand, Newfoundland, the provinces of the Australian Commonwealth, South Africa, and the other self-governing dominions, you will also find that all these dominions upon organization have been granted the right of administration in the public domain and the beneficial interest therein. The main point is that in the case of all the solf-governing colonies or dominions of the empire the one exception to this policy from all times has been the one with respect to western Canada.

I cannot see, having given some study to this question, any justification whatsoever for the retention by the Dominion government of those western resources. Nor do I see any justice or right in the contention which is sometimes made that the other provinces have a vested interest in the resources of western Canada. The other provinces have been increased in size from two to four times, but with the exception of £300,000 that was paid for Ruperts Land by the Dominion government, there has been no contribution made to that territory.

AUDITOR GENERAL'S REPORT

Mr. ROBB: Before you leave the Chair, Mr. Speaker, may I have the unanimous consent of the House to lay on the Table volume 1 of the Auditor General's report?

Mr. SPEAKER: By unanimous consent.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. LADNER: When the House rose at six o'clock I had been dealing with the question of the public domain and the rights, constitutionally and in the light of history, of the self-governing colonies and dominions, particularly as relating to their right, upon attaining the status of self-government, to the control of their own natural resources. It is recognized by all constitutional authorities that both the dominions and the provinces should enjoy that right.

With reference to the question of natural resources, I had discussed a proposal under which the Canadian National Railway should take over two provincial railways, the Pacific Great Eastern and the Edmonton and Dunvegan. I wish at this juncture to summarize that proposal, because there is one feature of it to which I omitted to refer. Under that proposal the Canadian National Railway was to take over the Pacific Great Eastern, together with 16,075,000 acres of land which, under an act of the provincial legislature, had been given as a grant to that railway system. I omitted to make some reference to the resources contained in that new grant of land, comprising an area of about 40 miles wide and nearly 400 miles long, a grant almost as large as was originally given to the Canadian Pacific Railway for the construction of a line to extend from one end of Canada to the other. The sessional papers for British Columbia for 1924 set forth the report of the surveyor who, under the auspices of the government, conducted an investigation of the timber in what is known as the Horse Fly Cruise, near Quesnel lake. This is merely one example of the resources along that railway. The report reads:

> From investigations already made it would appear that this—
>
> Referring to the Horse Fly Cruise.
>
> —will prove one of the richest timber areas investigated by the department to-day. 75,000 acres covered, and 55.876 acres carried merchantable timber averaging 19,000 feet board measure per acre, a remarkably heavy acreage for timber east of the Cascade.

The total stand was over 1,000,000,000 feet of which 43.6 per cent was spruce suitable for pulp and paper, and I understand that one of the provincial ministers has made the statement that there is sufficient spruce and timber to keep two good sized pulp and paper mills going indefinitely. This report, as well as the report of Colonel Dennis, who is known to many hon. members as the head of the Natural Resources department of the Canadian Pacific Railway, and who had been engaged by the provincial government to investigate the lands along the Pacific Great Eastern railway, discloses the great richness of that district, particularly in mineral resources, which can hardly be calculated. I make special reference to this for the reason that in the past it has been proposed by provincial governments, who are always seeking to get something from the Dominion treasury without paying very much, that the Canadian National Railways or the Dominion government should take over the Pacific Great Eastern railway. That proposal appears to me to be not exactly fair to the rest of Canada. British Columbia has $47,000,000 invested in that railway and I might add, what I omitted to mention before, that the scenic beauty along the line constitutes a tourists' paradise.

The proposal which I now submit to parliament is that the Canadian National Railways should be asked to take over not only the Pacific Great Eastern railway and the obligations of the original investment, but receive as well the advantages of the 16,075,000 acres of land. As I have pointed out, the Canadian National Railways would also receive the Peace river block of 3,500,000 acres, of which 2,000,000 acres consist of arable lands suitable for cultivation. That Peace river block belongs equitably and, I might add, legally to the province of British Columbia although it was granted in 1884 to the Dominion under circumstances which would not be defended to-day. I suggest that if these grants of land, with their potential values in timber, mineral and agricultural resources, were not sufficient to indemnify fully the Canadian National Railways against any possible loss with respect to the Pacific Great Eastern or the Edmonton Dunvegan, then the Dominion could, as a matter of general advantage to Canada, grant to the Canadian National Railways additional lands, still in the hands of the Dominion government, out of the great Peace river area which comprises 65,000,000 or 74,000,000 acres of land, according to whichever engineer's report one is willing to accept. These are the conces-

sions which the Canadian National Railways would receive. All that the Canadian National would be asked to do would be to construct what would undoubtedly prove a profitable connection, and not a very expensive one either, between the Peace river area through the Pine or Peace pass and down to the main line of the Canadian National railway, there providing an outlet for the Peace river district to Prince Rupert as well as to Vancouver. Propaganda for the building of that line has been extensively circulated for a number of years. The proposal at first was that the Canadian National Railways should build it out of their own funds, on the strength merely of the advantages which would accrue from the operation of the railway. But those who know the district feel that these advantages would not be very bountiful at the present time, unless the district were settled.

The other part of the suggestion, which I have submitted and which I repeat now in order to relate it to the remarks I am about to make, was that the question of immigration for that great area of the Peace river district and other portions of the west should be carried out somewhat along the lines of the present arrangement which has been made by the government with the two railway systems by which the two, in a businesslike way, having their eye on the possibilities of traffic and the production of freight for these railways along the line of settlement, should use their connections in Europe and in the Old Country to secure immigrants for settlement in that district.

These things relate directly to the question of British Columbia's claim for better terms, an old claim which has been the subject of political discussion for some time now. I have a complete memorandum which was prepared in 1913 by Sir Richard McBride and submitted to the government of Canada of that day setting out in the most conclusive manner the rights, the justice and the equity of my province to the return of these vast areas of land which stand to-day in the name of the Dominion government and which legally and constitutionally should revert to the province. I want to call the attention of the House to the fact that in 1849 Vancouver island was granted by letters patent to the Hudson's Bay Company, but it reverted by purchase on the part of the British government in 1867. The mainland of British Columbia had been licensed for certain purposes to the company and these rights were also acquired by the British government before confederation, so that when the province of British Columbia entered confederation it carried with it its constitutional rights, its right to the public domain, its right to the administration of that domain, and to the beneficial interest therein. And in order to make certain that these rights were not lost a section was inserted in the terms of union in 1871. It will be interesting to read to the House from this clause, 16, as it relates also to the rights of the prairie provinces which were deprived of their resources by specific legislation. The section is as follows:

The provisions in the British North America Act, 1867, shall be applicable to British Columbia in the same way and to the like extent as they apply to the other provinces of the Dominion, and as if the colony of British Columbia had been one of the provinces originally united by the said act.

The claim of British Columbia for what we call better terms, which means the railway belt along the Canadian Pacific railway and the Peace river block, is based upon a breach of agreement by the Dominion government following the terms of union. The terms of union have not been lived up to by the Dominion and our first claim relates to 13,000,000 acres of land along the Canadian Pacific railway known as the Dominion railway belt. That land is now of great value: it contains 22,000,000,000 feet, board measurement, of timber which along with the Peace river block, makes a total of 26,568,000,000 feet board measurment. These figures are given in an official publication of two experts of the Dominion government Whiffen and Craig, contained in their report under the title "The Forest Resources of British Columbia." Leaving aside the mineral and agricultural resources and the value in water power, the timber alone is estimated, on present day valuation, as being worth over $75,000,000. Now, this thirteen million acres of land was conveyed to the Dominion in trust, which trust will be found in clause 11 of the Terms of Union of 1871 and reads as follows:

And the government of British Columbia agree to convey to the Dominion government, in trust, to be appropriated in such manner as the Dominion government may deem advisable in furtherance of the construction of the said railway—

That is, the Canadian Pacific railway.

—a similar extent of public lands along the line of railway throughout its entire length in British Columbia, not to exceed, however, twenty miles on each side of said line, as may be appropriated for the same purpose by the Dominion government from public lands in the Northwest Territories and the province of Manitoba. In consideration of the land to be so conveyed in aid of the construction of the said railway, the Dominion government agree to pay to British Columbia, from the date of the union, the sum of $100,000 per annum, in half-yearly payments in advance.

Now, the original proposal for the purpose of aiding the construction of the Canadian Pacific railway was to give a strip of land forty miles wide from the western boundary of British Columbia through the intervening territory to Ontario a distance of nearly three thousand miles, which would have meant some seventy-five million acres of land. But that proposal was not acceptable to the promoters of the Canadian Pacific railway. When the company was incorporated in 1872 they found they could not finance the railway even on such an extensive land grant as that. So in 1880 the scheme was entirely altered, but the province of British Columbia was not consulted on that alteration. The new scheme was that the Canadian Pacific Railway company should receive twenty-five millions acres of land in the agricultural areas of the three provinces and $25,000,000 in cash; that was the total assistance to be given at that time. Under those circumstances the province of Ontario, which had actually provided for the appropriation of this forty-mile strip, took no further action. The twenty-mile strip on each side of the railway which was to have been allotted from what are now the prairie provinces was also withheld, so that British Columbia alone carried out her portion of the agreement of 1871.

Apart from the clause in the Terms of Union which I have cited, the intention at the time the original agreement was made can be gathered from the remarks of Sir George Cartier in the House of Commons when those Terms of Union were under consideration. They will be found in Hansard of 1871 at page 662:

Item 11 relating to the construction of the Pacific railway—

That is the clause that I have already read to the House.

—would no doubt provoke discussion. It was not the intention of the government to construct the road, but it would be undertaken by companies, to be assisted mainly by land grants. It was not the intention of the government to burden the exchequer much to obtain this railway. While this clause was under discussion between the delegates and the government, it was proposed by the Dominion that the colony should hand over a forty-mile strip of land towards the construction of the railway. It was proposed to give the colony $100,000 per annum, which, placing the interest at 5 per cent, would be the annual interest on 2,000,000 acres of land, leaving the remainder to be used by this government. The railway starting from Nipissing would be about 2,500 miles, 700 of which would pass through Ontario. They did not expect to get entirely the twenty-mile grant on each side of the road, but they expected to get from the Ontario government every alternate lot on each side of the line. That would give nine million acres of land from the Ontario government.

Similarly other members of the government indicated clearly that at the time British Columbia entered confederation this railway belt was given distinctly on the understanding that the province of Ontario and the Dominion government would each make a contribution of land, the latter from what now are the three western provinces, and that this land would be held in trust and, if necessary, used to provide money for the construction of the railway. But, as I explained a moment ago, nine years later, in 1880, the whole scheme of financing the Canadian Pacific railway was changed, so that the purpose of this trust failed, there was no execution of the trust, and constitutionally, legally and equitably the lands should have been handed back to the province. At that time the lands were not considered of much value; to-day they are of great value, and the people of British Columbia feel that they are suffering an injustice in being deprived of these vast assets, which rightfully belong to them for the reason that the terms of the original agreement have never been carried out.

Mr. MacLEAN (Prince): Have any of those lands yet been disposed of by either party?

Mr. LADNER: Yes. The railway originally was to go through the Yellowhead pass, but the actual grant by the province to the Dominion was not made until 1880, when the route through the Kicking Horse pass had been decided on. In the interval lands had been alienated. It is in connection with that alienation that there arises a second claim that I am now about to deal with—that with reference to the Peace river block. Since then of course there have been further alienations.

The Peace river block, which constitutes our second claim, contains three and a half million acres of land, of which two million are arable. The Liberal government of 1874 was strongly opposed to the construction of the Canadian Pacific railway, and found one excuse after another to delay the undertaking. Sir John Macdonald and his party were strongly in favour of aggressive action, and the people of British Columbia, small in numbers though they were in 1871—ten thousand whites and thirty thousand Indians—pressed vigorously for carrying out the terms of the contract. One of the excuses for delay made at the time was that in this vast railway belt certain lands had been alienated, and for that reason it was claimed that the province of British Columbia should give further lands, called "lieu" lands, to the federal government.

So an arrangement was made under the Act of Settlement in 1884 which adjusted a number of disputes, and this arrangement was mainly brought about by the desire on the part of British Columbia to have the railway completed. Among the disputes so settled was the claim that the lands in the railway belt which had been alienated should be compensated for by the province of British Columbia transferring to the Dominion government the Peace river block of three and a half million acres. The claim had no basis in reason or in right, for the railway belt had been granted to the Dominion government in trust for a definite and specific purpose, which had not been fulfilled because the whole scheme of financing had been changed. Nevertheless the province was so anxious to have the railway completed that the provincial government transferred the Peace river area to the Dominion government. It is true that the province received an additional annual grant of $100,000 a year, but this it should have received in any event.

There was another important point in the act of 1884 to settle the dispute concerning what is known as the Esquimalt and Nanaimo railway on Vancouver island. As a result of the settlement the province parted with another 2,000,000 acres in order to induce the federal government to carry out their undertaking to build that railway and the arrangement which had been entered into with the Dominion authorities. In addition the Dominion government subsidized that railway with $750,000 and took over the construction of the old Esquimalt dry-dock. This question of the 2,000,000 acres of land for the Esquimalt and Nanaimo railway constitutes in my opinion the third claim of British Columbia for redress. The Mackenzie government, under what are known as the Carnarvon terms of 1874, bound themselves to build the Esquimalt and Nanaimo railway free of cost to British Columbia, but they did not go through with it. The government at that time tried to get out of the deal and after negotiations actually offered British Columbia the $750,000 to give up its rights. The province foolishly did not accept the $750,000 with the result that it has never got anything in its place, and to-day the 2,000,000 acres of land are worth about five times what it cost to build the railway.

When the Act of Settlement of 1884 came before the parliament of Canada there was naturally considerable dispute. Ontario and Quebec each had a reason why no concession should be made to British Columbia, and in order to settle these disputes and to appease the claims of Ontario and Quebec, certain concessions were made. Quebec had subsidized what is known as the Quebec, Montreal and Ottawa railway and had spent $5,000,000 on it. So, as part of this arrangement or deal in connection with the Settlement Act of 1884, Quebec received back the $5,000,000 which it had expended on the Quebec, Montreal and Ottawa railway. Similarly Nova Scotia was refunded its outlay on what is known as the eastern extension which became part of the Intercolonial system, and a further settlement was made with New Brunswick with reference to some railway problems that existed there.

If you calculate the expenditures and revenues by the Dominion government in British Columbia and in the prairie provinces, you will find these interesting facts: that in the three prairie provinces the expenditures by the Dominion government exceeded the revenues by $40,000,000 since the Dominion government took over the administration, but in British Columbia, with its great natural resources, the excess of revenues over expenditures since the province came into confederation amounted to $40,000,000.

When we consider the question of our annual subsidies, we find another situation in which British Columbia, in my judgment, has the worst of the transaction. Of course these subsidies are based on population. The annual subsidies are approximately as follows:

Ontario	$2,400,000
Quebec	2,000,000
Manitoba	1,470,000
Saskatchewan	1,753,000
Alberta	1,621,000
British Columbia	623,000

British Columbia has the same population as Alberta. Of course the explanation is given that British Columbia has her natural resources and the prairie provinces do not have theirs, but in the proposal, as I understand it, which the government has submitted in the Speech from the Throne, Alberta will retain her annual subsidy of $1,621,000 for the next three years and then will take over her natural resources and receive quite a number of advantages.

To sum up the concessions which British Columbia has been obliged to make in order to induce the Dominion government to carry out, not a new agreement, but the original contract of 1871, a compact which was embodied in an act of parliament by the Dominion as well as by the province, and to complete the railway, constitute the giving

up of lands the conservative value of which is as follows:

Value of timber, over 22,000,000,000 feet in this 11,000,000 acres of the Dominion railway belt, according to official reports..	$ 75,000,000
Peace river block: value of timber and agricultural lands..	35,000,000
Esquimalt and Nanaimo railway grant: value of 2,000,000 acres..	20,000,000
Excess contribution of revenue..	40,000,000
Total..	$170,000,000

This does not take into consideration the great value of mineral and coal deposits found in those lands. So I repeat that in order that we could have a consummation of confederation, in order that we could have a bargain which was signed, sealed and delivered with British Columbia, completed by the government of Canada, we were forced by the exigencies of the circumstances to part with lands and timber the value of which exceeds $170,000,000—a colossal sum.

I have already pointed out, but I repeat by way of contrast, the treatment which Ontario and Quebec have received since confederation. When confederation started the first six provinces contained an area of 500,000,000 acres, and there was a vast domain of 2,000,000,000 acres which was the common property of the provinces of confederation as well as of the people in the unorganized districts. Notwithstanding that, out of this vast domain of 2,000,000,000 acres, a great portion of which properly belongs to the prairie provinces and has not been given to them, by legislation of 1898 and 1912 Ontario has had her area increased from 150,000,000 acres to a total of 261,000,000 acres, or practically double, and Quebec has had its area increased from 124,000,000 acres to 452,000,000 acres, or four times as much. I refer to these matters because in those additions to the provinces have been found enormous resources in minerals and timber which to-day are making those provinces wealthy and creating trade, traffic and industry beyond the dreams of the legislators of those times.

Mr. MacLEAN (Prince): Does the hon. member not think the Maritime provinces have a strong claim for some compensation?

Mr. LADNER: I do, but the Maritime provinces have also been looked after to a certain degree, because they have received the advantages of the Intercolonial railway and they have not been obliged like British Columbia to part with land and timber to the tune of $170,000,000. Moreover, Canada provided $160,000,000 to build the Intercolonial railway and it has been a losing proposition ever since. So the case of the Maritime provinces is less strong, although they have a certain case because, like the rest of Canada, they have a proprietary interest in the vast domain which is the common property of confederation and which, in my judgment, should not have been given, as it was, to the other provinces without some compensation.

That disposes, Mr. Speaker, of my contentions on the part of British Columbia. We have ten Conservatives here from British Columbia and I do not see why our appeal should not be just as strong as that of ten good Liberals; I admit it might not be as strong as that of ten Progressives, but nevertheless I submit these claims to the bar of public opinion, and I believe that when properly informed of the facts not only the whole of western Canada but the eastern provinces as well will realize the justice and merit and equity of these claims, and a satisfactory adjustment will be made.

There are a number of problems which face this country at the present time. In making that statement I am not indicating that I intend to trouble the House with much more talk—

Mr. GARLAND (Bow River): Hear, hear.

Mr. LADNER: My hon. friend from Bow River says, "hear, hear." I have not his eloquence, nevertheless I hope to make a contribution in fact and consistency of principle, which is something that has not always characterized the course of the hon. member in the last three years.

In reading over the Speech from the Throne, which says little and perhaps means less, we are not helped in trying to find a solution of some of the very great problems which press before the public of this country at the present time. In the earlier portion of my remarks I referred to the soldier question, to amendments to the Pension Act in connection with ex-soldier matters. There are quite a number of these matters, but the government has given no indication of any legislation in that respect. I know of cases of injustice due purely to the technicalities of the law, not intended by parliament at all, nor would they be defended by the public at large.

Then there is the question of old age pensions. That is going to be dealt with by the government. We have matters affecting labour in this country. There is the question of the tariff, which, of course, is the bone of contention. There is the question of immigration. There is the question of reduction of taxation, and in my opinion that is one of the most important before the country to-day, because unless our taxation is on a

level with that of the United States, both capital and people will flow to that country and we will be at a loss. I do not see anything of a constructive nature in the Speech from the Throne that would help us toward a solution of that question.

Then there is the question of the National railways, a question which to a large extent is now out of politics. I am frank to say that in my humble opinion the National railways are under competent management which is proving successful, but there are matters which affect the Dominion of Canada in connection with the subsidies and assistance which must be given to that railway. Then there is the question of freight rates, on which I spoke earlier in my remarks this afternoon. The province of British Columbia particularly has suffered a great deal from the high freight rates. The fight has been carried on in parliament and before the Board of Railway Commissioners. The board has given certain concessions, but unfortunately during the last election campaign the Liberal candidate in Vancouver, Mr. McGeer, threw the whole question of freight rates into the heat of a political fight, and in my judgment did the cause considerable injury. However, the matter is now before the Board of Railway Commissioners.

Then there is a matter in which I am interested myself, concerning the protection of savings bank deposits by a system of insurance. I shall not go into that at the present time, because I have taken up the time of the House on previous occasions discussing it. I believe, however, that in addition to our existing bank deposit system, a system of guaranteeing savings deposits on an insurance principle would be both advantageous to the public and in the interests of the country as a whole, without doing any harm to our banking institutions; it would rather help them.

In regard to my own constituency, I propose to have a little private talk with my good friend the hon. Minister of Public Works (Mr. King) with regard to the north arm of the Fraser river. He is always open to receive us, but beyond that he does not always go in the matter of giving us concessions, but this time I am hoping to show him by merit as well as by persuasion the wisdom of making some concessions.

We on this side of the House have referred to a number of these problems, Mr. Speaker, because this party offers a solution for them. I do not think that solution can be better expressed than in the words of the resolution my right hon. leader presented to the House on the 1st of June, 1925. A number of the members may have heard this before, but they cannot hear it too often, especially my friends the Progressives. That resolution stated:

> That, in the opinion of this House, to meet the situation which has resulted from a strengthening in late years of the protective system the world over particularly in the United States; to give new life to industry and productive enterprise; to preserve and enlarge the Canadian market for Canadian farm products; to stimulate the development of Canadian resources by the Canadian people and thus create employment for our workers; to increase the traffic of our railways by which alone an all-round reduction of freight rates can be secured; and, as well, to provide added revenue and thus bring about a reduction of internal taxation, this Dominion requires an immediate revision of the Canadian tariff on a definitely and consistently protective basis.
>
> That such revision should apply to natural products such as farm products, fish, and coal with no less thoroughness than to manufactured goods.
>
> That to the same ends steps should be taken to conserve for Canadian development our essential and irreplaceable resources in material and power.
>
> That while every effort should be directed toward the establishment of a system of preference for preference within the empire no preference should be given at the expense of the Canadian worker and all preference should be conditional on the use of Canadian ports.
>
> That a tariff commission should be appointed representative of the three great classes of Canadian industry, agriculture, manufacturing and labour and be entrusted with the duty of studying Canadian tariff problems in their every bearing and of making from time to time such recommendations to the government as it deems in the general public interest with the reasons therefor, and with power also, where it finds unfair advantage is being taken of protective duties, of making recommendations to be given effect by the government for removing or reducing tariff schedules or imposing special excise taxes upon products in respect of which such advantage is taken, and that its reports, findings, recommendations and reasons therefor be given to the public.
>
> That to enable the products of the western and Maritime provinces to reach more readily the markets so developed the special transportation burdens borne by those provinces should be shared by the whole Dominion either by contribution to long haul freight costs or by assistance in some other form.

In my judgment that policy, short and to the point, offers a solution for many of the problems which face this country.

I would also like to direct attention to a few words from a report that many hon. members may have heard quoted from before, but it will do us no harm assembled here in parliament to hear them again. The United States Department of Commerce, in its official report No. 44, dated November 3, 1924, says:

> Economically and socially Canada may be considered as a northern extension of the United States. The establishment of branch factories in Canada—as a means of supplying the Canadian market—is closely tied up with Canadian tariff policy. In fact there are movements under way now which a year hence may considerably curtail the advantages of operating branch factories in Canada.

That movement I suggest was the general election in October. I quote further:

> Against the set policy of the Conservative party of building up a thoroughly protective tariff to favour Canadian industries has been operating the influence of the Liberal party who stand for a more moderate level of import duties.

I read that, Mr. Speaker, in order to bring to the attention of hon. members the dispassionate and well considered view of keen, shrewd business men of the United States. That is the analysis they make of the situation in Canada; and I would commend the thought and ideas to my hon. friends the Progressive members before they continue, without limitation, their help to maintain the government in power.

Now, Mr. Speaker, the debate in this House has from time to time revealed very clearly, whether in matters of policy or in conduct of public affairs, the weakness and the inactivity of the government. I commend to hon. members a reflection on the situation in the various democracies of the world. Before the war the sovereignty of the people was universally accepted. Since the war we have had a reaction, a very strong reaction. Russia has accepted a tyranny worse than that of the Czars. China to-day is weltering in anarchy. Italy has practically eliminated its parliamentary institutions and taken a dictator who rules the country with an iron hand, is oppressing the press, and otherwise exercising his will as dictators do. In Spain the democratic institutions of government have given away to a dictatorship. The three great countries of Germany, France and England have witnessed a partial disintegration of their parliamentary system. In Germany the president has recently threatened a dictatorship. In France there have been three cabinets in less than one year; and those who have travelled lately in the republic tell me that there are rumours from many directions of a dictatorship in order to right the difficulties that confront the government there. In England we have witnessed a strong reaction. Britain, the mother of democracies, has seen the development of strong, radical forces controlling the legislation and policies of the country. Throughout the world popular government is in serious danger. European nations are in the grasp of dictators. There is a revolt, not so much against democracy as against the inefficiency and the weakness of parliamentary institutions and of governments. I submit that is a fair analysis of the situation in many of the democratic countries of the world having parliamentary institutions similar in principle to our own; and I commend to hon. members opposite, as well as to hon. gentlemen to my left, the thought of the weakness, the impotency, and the lack of initiative on the part of the present government in matters of policy, in matters of administration, and in matters relating to the direction of the affairs of this country. The government is not only weak, but it shirks the course which a strong, vigorous and courageous government would take in regard to the various problems awaiting solution in this country. It lacks the vigour and the courage necessary to deal with the present situation in parliament. It could pursue a definite course but it is afraid to do so.

Mr. STEWART (Edmonton): Do not be too sure.

Mr. LADNER: The Minister of the Interior says, "Do not be too sure." I can only speak for myself, but I say that if I were in the position of hon. gentlemen opposite, and if I had a policy to submit to parliament and proposed to carry on the business of the country, I would carry it on—

Mr. STEWART (Edmonton): So will this government.

Mr. LADNER: —and I would take the necessary means to enable me to carry on.

Mr. GARLAND (Bow River): From the statement the hon. gentleman has just made, is the House to infer that he advocates the application of the closure?

Mr. LADNER: Well, I can only express my own personal opinion, and I will tell you frankly what it is: the public of this country is sick and tired of inaction. There is business to be done, there are problems to be solved. The business is not done, nor is any solution of those problems recommended, because the government is too weak to do it; and in order to prove to the country that I was not weak I would bring in closure and do the business. Such a course might not be popular with all hon. members, even all those on my own side, but I am only expressing my own view, it seems to me that when you are faced with a situation such as the country is faced with at the present time in connection with the investigation of the Customs department, and regarding serious matters of administration affecting immigration. tariff matters, and all the other problems which exist, there is need for courageous action. We read in the press before the election statements by the government leaders of what they were going to do if only they had sufficient support,

things they could not do before because they had to depend upon the support of the Progressives, but when that election was over they would reorganize the government and they would carry those measures into effect. But now we have a stalemate. The government is in the hands of the Progressive members. There is compromise of policy and compromise of principle, and where vigour and initiative are required on the part of the government in relation to important questions, they are lacking in the necessary courage and judgment. The whole situation of parliament is one of drift. The business of parliament and the administration of public affairs could be more ably and capably carried on, I think, if we all went home and left the deputy ministers to act so far as ministerial powers are concerned. For my part, as a young man coming from the west—

Mr. LAPOINTE: How old are you?

Mr. LADNER: I am old enough to vote, and I am also old enough to see the weakness of the government's position. One does not need to be very old to see that. It would be interesting to hear from the government leaders some explanation of why they continue this course of drift day after day.

Mr. MacLEAN (Prince): The government do not wish to be hard with young men.

Mr. LADNER: They may not wish to be hard on young men, but they are certainly hard on themselves so far as concerns the receiving of popular approval.

Mr. LAPOINTE: Yes, we have to listen to a lot of nonsense.

Mr. LADNER: What does the leader of the House say?

Mr. LAPOINTE: We are hard on ourselves in listening to such nonsense.

Mr. LADNER: Listening to such nonsence?

Mr. LAPOINTE: Yes.

Mr. LADNER: I would prefer to make statements such as I have made, though the minister may think them nonsensical, than to make promises such as he made, in the most solemn manner, with respect to calling a conference of provincial premiers and then ignoring them entirely without giving any explanation to the House. That is the trouble with a number of our Liberal leaders. They are full of promises particularly before election time, but lack miserably in action when the time arrives to do something in parliament. Now, Mr. Speaker, I have occupied enough of the time of the House.

Some hon. MEMBERS: Hear, hear.

Some hon. MEMBERS: Go on.

Mr. LADNER: Some hon. members say to go on. I have enough material to enable me to go on until twelve o'clock, but I do not propose to do so. I hope the members of the government will show a little more of the spirit of the Liberal party I used to read about some years ago, under the leadership of their great chieftain. A situation such as exists to-day would not be countenanced by Sir Wilfrid Laurier and would not have been tolerated by Mr. Fielding. But this government is quite willing to make a deal with the Progressives in order to enable them to remain in power, and to adopt a policy so well exemplified in those classic questions and answers to which I have already referred, the best of which was, "How many miles per member will you give us?"

Mr. F. N. DARKE (Regina): It has been an honour to me, as well as a pain, perhaps, to sit in this House remaining fairly quiet during the past six weeks. I have listened to a great many speeches, some good, some not so good, and some indifferent. I may say, as a business man that during the first part of the debate the speeches appealed to me very strongly indeed. I thought they were on the whole of a very high order. The subject was certainly a debatable one, and the very fact that the government were prepared to submit it to the House indicated that it migh be considered debatable. The debate at the outset was conducted, in my view, on a very high plane. But within the last three weeks the discussion has not been quite so good. I think the reverse should have been the order; we should have the best wine last instead of first. Of course I am not referring to the speech of the hon. member for Vancouver South (Mr. Ladner), which was interesting and very informative indeed.

I desire to congratulate the House on the good judgment they have shown in re-electing Your Honour to the Speaker's chair. I do not believe that there is a man in this House or in Canada who could so ably fill the position which you occupy to-night, Mr. Speaker. During the very trying weeks through which we have passed, your conduct in the chair has been fair, reasonable and honourable, and my best wish is that you may continue in that position, and that when

the next parliament assembles they will exercise the same good judgment in re-electing you to the speakership. I hope you will continue to fill the chair in this House as long as your health will permit you to do so, which I trust will be a good many years. I wish to ask of you on my own behalf the kindly consideration that you have shown to other new members who have addressed the House for the first time. I must confess that it is somewhat of a fearsome task for an ordinary business man to stand before such an august assembly and address them for the first time. However, I am sure, Sir, that if I should show any western broncho tendencies to strike out both fore and aft, you will apply the curb so firmly and yet so gently that I will not be thrown off my feet.

I observe that our friends on the other side of the House are still afflicted with a considerable amount of gloom. There does not appear to be any ray of light breaking through. In fact, across the way the atmosphere is almost as dense as a London fog.

Mr. SPENCE (Parkdale): There is a good deal of fog around the hon. gentleman.

Mr. DARKE: Probably the fog has blown over from the other side. I will tell my hon. friends across the way that the worst is yet to come. Let them cheer up. Now in order to cheer my friends across the way and lighten the gloom I am going to quote a few figures from a well known publication. I will not burden Hansard with many figures tonight. The observations which I will read were taken from a survey prepared by the Financial Post. I think everyone across the way will recognize the Financial Post, published in Toronto and Montreal, as a very reliable paper. The article reads:

Canada will have greatly increased purchasing power in 1926. A survey of production in 1925 indicates a vast addition to the buying power of the Dominion, in all areas. Figures, based upon the best information show an improvement of something like $300,000,000. Basic conditions throughout the five main marketing areas of the country are such as to warrant the forecast that 1926 will be even a more productive year, and that the spending power of all the five areas will continue to expand.

In the comprehensive survey that follows, an alalysis has been made of the purchasing power of every section of the Dominion. The survey shows the upward tendency in the past few years by a review of basic business and industrial indicators; it indicates the present situation in business in Canada and gives definite promise of greater sales and more profitable productive effort in the coming year.

The 1925 figures of Canadian revenues are the result of a thorough pains-taking survey of Canadian business and productive activities during the past year. The estimate may be accepted as the most reliable figure available. Evidence of the soundness of the methods used in making the estimates is given by the results of the estimates in "The Financial Post Survey," 1925, which proved to be in error only by a slight percentage.

The figures quoted here extend from 1922 to 1925 and include agriculture, forestry, fishing, trapping, mining, electrical power, construction and manufacturing. The total for 1922 was $4,671,856,648. In 1925 it was $5,616,330,000, a total increase of $944,473,352. Taking the two main items, manufacturing and agriculture, we find an increase in manufacturing revenue alone of $404,853,615, and in agriculture of $366,424,000. So that in all these five industries there has been a decided increase. There is not much of the "whisper of death" in that. I have another item here which I took from the Citizen yesterday. It reads:

Hardware Man Sees Big Business Ahead

Retailers' President Thinks Business Men Realize Chances

(Canadian Press)

Toronto, February 16—T. W. Thompson, president of the Ontario Hardware Retailers, addressing the annual convention of that body here to-day, said that Canada "is on the threshold of a business growth such as has never been experienced in this country before, due to the fact that Canadian business men are realizing more and more the vast potentialities of the country."

I do not know whether or not that will have any cheering effect on our friends opposite. The fact is, Mr. Speaker, that the lamentations of Jeremiah were nothing in comparison with the wailings of a Tory out of office, so that we cannot expect too much optimism from those hon. gentlemen while they remain on the other side of the House.

In the Speech from the Throne a reference is made to the Maritime provinces and I want to say right now that I am particularly interested in that part of the country. I had the honour to be born in that beautiful little island of Prince Edward of which I am and have always been proud, and I have always had a deep interest not only in my native province but in the Maritime provinces generally. Indeed, I told my people in Regina that I was coming to Ottawa to sit in with the representatives of the Maritimes to study their difficulties and to inform them to some extent of the problems which we in the western provinces have also to cope with, and that, if there was any possibility of arriving at a solution, I for one would do my part to help solve the difficulties of the Maritime provinces. I have listened with a great deal of interest to the presentation of their case by their representatives in this House and I am bound to confess that I have not been especially impressed with the solution they have proposed. I do not think it goes far

enough. The main solution hon. gentlemen have to offer is that in connection with the Canadian National Railways. Now I have no doubt that freight rates have some bearing on the troubles of the Maritime provinces but I think that the whole problem goes deeper than that. It seems to me that hon. gentlemen will have to look elsewhere for a solution of their difficulties than to the transportation of a few thousand tons of coal.

An. hon. MEMBER: What about the tariff?

Mr. DARKE: I am not referring just now to the tariff. What I have in mind at the moment is the possibility of shipping western grain through the Maritime ports. We should like in the west to see our wheat go through those ports; there is not a man in western Canada who would not prefer to see western grain go out of Canadian rather than through American ports. We are Canadians, every one of us in the west, for as a matter of fact a considerable number of us come from the Maritime provinces as well as from Ontario and Quebec. There is no doubt therefore about our being interested in the Maritime provinces. Indeed, we know more about the east than eastern people know about the west. Many of us were born there and we visit eastern Canada pretty often. But what is the situation? The suggestion has been made that either the government or Sir Henry Thornton should dictate to the railways as to where grain or cattle, for instance, should go on its way out of the country. Well, is the railway the servant or the master of the shipper? Suppose I as a shipper went to the Canadian National Railways to have a train load of cattle shipped through Portland or Boston and Sir Henry Thornton or the managers of the railway should tell me that my cattle must go to Halifax or St. John. What would you expect me to say in such a case? I should say, "If you do not want to carry my cattle to Portland I can get another railway to take them". The important thing is to have shipping facilities provided for transporting our products from our own ports. It is useless asking Sir Henry Thornton to take our wheat to Halifax unless there is adequate shipping to transport it to the markets of the world.

Another point in the matter of Maritime difficulties has reference to coal. The central provinces imported last year of coal and coke —I think it nearly all went to those provinces —$40,000,000. We do not use any anthracite in the west or, if we do, we use very little; we use our own coal. It is not perfectly clean, but we are patriotic enough to put up with some inconvenience and to burn our own Alberta coal. The only suggestion I have heard from the people of the Maritime provinces in regard to the coal situation is that the railways should haul Maritime coal at a loss, that loss to be borne by the Dominion as a whole. Now, a good many members from the Maritime provinces support a protectionist policy, and if it is good business for the people of Nova Scotia and Alberta to pay 25 or 30 per cent more for goods manufactured in the central provinces than they would have to pay for similar goods imported, would it not be reasonable to ask these central provinces to pay more for their coal so as to even things up? But has there been any suggestion from the people of central Canada that they are prepared to accept a duty of $2 or $3 per ton on foreign coal in order to encourage the consumption of a home product? I have not heard any such suggestion and I venture to say that if my good friends from the Maritime provinces were to make that proposal to the people of Montreal or of Toronto they would be turned down absolutely. It is all right for them to take but they are not so ready to give, and until something is done in that direction I do not think that you will get very far on the way to a solution of the trouble. I am not advocating protection, but I suggest that what is sauce for the goose ought to be sauce for the gander, and they might be given a dose of their own medicine. I am in favour of the proposed commission for I am not satisfied that we have all the facts before us. Let us get those facts and if there is anything that the people of the west can do to assist the Maritime provinces in solving their troubles I say that we are with them.

Considerable criticism has been levelled at our Progressive friends because they have seen fit to support the government, and very many unkind and unfair things have been said about them. I like criticism when it is clean and fair, but it certainly is not fair to insinuate that members of the Progressive party have been bought or bribed or that special inducements have been held out to them in order to secure their support. I think that the hon. member for Rosetown (Mr. Evans) put the matter rather aptly when he said that perhaps it was a choice between evils, and like sensible people those hon. gentlemen have chosen the lesser of two evils. They could see nothing to hope for on the other side while they see at least a ray of hope on this side, inasmuch as, at any rate, we are headed in the right direction. But so far as the suggestion of bribery is concerned, I do not believe there is enough money in Toronto or Montreal to bribe or to buy the Progressive Party. They are supporting the government

because they are convinced that the government's policy approximates what they themselves advocate and support.

I am at a loss to understand the point of view of our protectionist friends. In one breath they claim that protection has been the settled policy of Canada for nearly fifty years and in the next breath they virtually complain that the country has been ruined because this government has kept that policy in force. They declare that the Liberal government, just as the Conservatives have done, has carried out a policy of protection. Well, if there has been protection what in the world more do they want? If the Liberals have administered a policy of protection why should hon. gentlemen complain? During the regime of Sir Wilfrid Laurier the country was more prosperous than it has ever been in its history, and this hon. gentlemen must admit. They say of course that Providence was responsible. Well, certainly Providence was partly responsible, because Providence is always on the side of the right. And it is a pretty good thing to belong to a party that has Providence on its side.

My hon. friend from Winnipeg South Centre (Mr. Kennedy) was rather tilting at a straw man this afternoon, it seemed to me, in his denunciation of free trade. I do not believe that you will find very many people in Canada to-day who believe that a policy of absolute free trade is possible in this country. We all realise that with the tremendous burden which the war has entailed, and with a policy of protection already in force in Canada, under which considerable industrial development has taken place, involving a great investment of capital, absolute free trade would be an impossibility and a hardship. At the same time, however, there are industries in Canada the capital invested in which would have served a better purpose had it been used in the development of some of our natural resources, instead of being employed in the production of goods from raw material imported into the country. Western Canada of course is not asking for any policy of protection. We realize in the west that we have to place our goods on the markets of the world in competition with the products of the world. You cannot protect the grain grower, the stock raiser or the dairyman on those western plains. It is impossible.

A great deal has been said about the dairy industry. If any fiscal policy adopted by this government endangers the splendid export trade in butter that Saskatchewan has built up, I would oppose it; and if the imposition of a duty of three or four cents a pound is going to force the home consumer—the labourer, the mechanic and everyone else—to pay that much a pound more for his butter than our surplus production fetches in the markets of the world, I would oppose it, for I do not think it is fair to charge the home consumer more that is obtained in the markets of the world. There is the falsity of protection right through, there is the weakness of the protective policy, it charges the home consumer a higher price for his commodities in the home market than can be obtained for them in the markets of the world. You cannot produce goods cheaply under such a condition as that, and Canada, with her enormous natural resources that must be turned into manufactured articles and sold on the markets of the world, can never meet foreign competition when the labourer and everyone else engaged in their manufacture are handicapped by high cost of living. That is where the shoe pinches the western man.

Not that we are opposed to manufacturing. There is no thought of opposition in the western mind to manufacturing industry. We want to see factories everywhere. But we do not think it is necessary that we should pay from 25 to 35 per cent more for goods manufactured in Canada than our brother farmers across the line pay for similar goods manufactured in the United States. Let me give an illustration of what that means. There is no man in Canada that gets greater service out of a moderate priced truck or automobile than does the western farmer. As a rule he is a considerable distance from the post office, the general store and the repair shop, and this rapid means of transportation saves him a great deal of time when probably despatch is very important to him.

Mr. SUTHERLAND (North Oxford): Does the hon. gentleman know that his predecessor in Regina, the Minister of Agriculture (Mr. Motherwell), voted last session against the reduction of duties on automobiles?

Mr. DARKE: I did not know it, and I am not politician enough to excuse wrong-doing or mistakes, not even on the part of my own government or any member of my party. If the hon. gentleman did that, I think he made a mistake.

Mr. CLARK: Was he guilty of wrong-doing?

Mr. DARKE: Perhaps that is overdoing it a little. I will amend that, and say he made a mistake. I do not think the hon. gentleman would be guilty of wrong-doing. The Canadian farmer pays from $250 to $300 more for a

Ford car manufactured at Ford, Ontario, than the American farmer pays for a similar car manufactured at Detroit, Michigan.

Mr. CLARK: Does the hon. gentleman say that the Canadian farmer pays $250 more for a Ford touring car at Ford than the American farmer pays for it at Detroit?

Mr. DARKE: Yes, it costs more to the Canadian farmer for a car manufactured at Ford, Ontario, than the American farmer pays for one manufactured at Detroit, Michigan. The duty is 35 per cent.

Mr. CLARK: I do not want to interrupt my hon. friend,—

Mr. DARKE: It is all right.

Mr. CLARK: —but I know he would like to be correct. To-day I happened to look up that very matter, and the difference in price does not exceed $150. It may be that the cost of transportation and taxes make up the difference in the list prices.

Mr. DARKE: I think there has been a reduction recently. The $300 difference, of course, would be for the sedan car. At any rate there is a duty of 35 per cent, and the point I make is that the Canadian manufacturer of Ford cars raises his price to the actual amount of the tariff. Now, did it cost that much more to manufacture the car in Canada than in the United States?

Mr. CLARK: Will the hon. gentleman admit that it does cost more to manufacture the Ford car in Canada than in the States?

Mr. DARKE: No, I am not prepared to admit that it should.

Mr. CLARK: Just one more question. Realizing that in the Ford factory in Detroit twenty-five cars are turned out to every one at the Ford factory in Ontario, does the hon. gentleman still persist in thinking that proportionately it would not cost more to manufacture that one car than it does to manufacture one of the twenty-five?

Mr. DARKE: I will give my hon. friend the proof of my contention. The Ford Motor Car Company of Ford, Ontario, was incorporated in 1905 with a capital of $125,000. Not a dollar of new capital has been put into the company since. In the meantime the company paid in cash dividends $11,000 on each $100 share, and that stock to-day is worth $25,000 a share. I ask hon. gentlemen: Is that fair? Those are figures that cannot be disputed.

Mr. CLARK: The hon. gentleman has asked a question. Does he realize that since 1913 the price of those cars has been reduced by nearly 43 per cent, and the price of labour has risen about 200 per cent?

Mr. DARKE: This statement was published in the Financial Post in the edition of late August, or September. I wore out the clipping in my campaign in Regina and it did very good service. The western men would not object so much to a tariff if the manufacturer would not raise the cost of his protected goods to the level of the tariff. If he would say to the western farmer: "We want a tariff to hold your market but we shall not raise the price to the last dollar that the tariff allows," there would not be so very much complaint. But you can rest assured, if the Canadian manufacturer persists in taking advantage of every dollar of that tariff, the western purchaser or any man of common sense will prefer to buy the imported article, knowing that the twenty or thirty-five per cent he has to pay in duty goes into the Dominion treasury to help pay taxes rather than in the form of excess profits into the pockets of the manufacturer. That is the whole situation.

The western man has no objection to industry; we want industry and we are glad to see it thriving. It does my heart good every time I come east to go through Montreal, Hamilton and Toronto and see those immense buildings being erected there. I know western Canada gives assistance in erecting those buildings and I do not begrudge it, but I say: Play fair with that great producing country to the west, the greatest market the eastern manufacturer has anywhere in the world; a market that is continually developing—because it is only in its infancy. The people of the east do not realize the asset they have in that western country. Last year western Canada produced about 400,000,000 bushels of wheat—one article alone. People talk to us about the home market—a home market for 400,000,000 bushels of wheat! How many people would you have to have in Canada to consume that quantity of wheat at an average consumption of six bushels for each man, woman and child? You would require about 70,000,000 people. If we are given a fair chance we can add to the production of western Canada each year more than sufficient to feed the population of Canada. Let me give some figures taken from a very reliable pamphlet issued by the W. Sanford Evans Statistical Service of Winnipeg. Some of the older members will remember Mr. Evans; at any rate hon. members know of him and will regard anything that appears over his signature as thoroughly reliable. I

am sorry I have not his 1925 statement, but I will have it in a few days. Speaking of the increase in production from 1920 to 1923, this pamphlet states:

> From 1920 to 1923 there was added to the area under field crops of all kinds in the prairie provinces 7,623,490 acres. . . . The increase over 1920 was 25.2 per cent.

That was at a time when most people in Canada thought we in the west were barely holding our own, a time of very serious depression in the agricultural community. The article continues:

> On this added crop area alone, at average yields, the prairie provinces could feed all Canada with wheat, potatoes and all other vegetables, including peas and beans, and grow all the rye, flaxseed and buckwheat Canada now raises; or, in the alternative, it could fill the total consumption demand for wheat of London, New York, Paris and Berlin.

That was only the increase from 1920 to 1923. What is the use of talking to western men about home markets? It is utterly absurd; the thing does not exist.

The leader of the opposition (Mr. Meighen) came to Regina during the last campaign, and we are always glad to have the right hon. gentleman come west. We rather like him personally although we have not much use for his policy. His coming west is of great assistance to us during election times. I am perfectly safe in saying that his campaign speech in the Stadium in the city of Regina added at least 500 votes to my majority; so that naturally we are very glad to have him come west at election times. However, he submitted a proposition which the Hon. Charles Dunning called a horse trade; in other words, he said in effect: If you people in the west will agree to a higher tariff on manufactured goods, we shall give you protection on farm products. We looked the animal over and we concluded that he was blind, broken-winded and spavined in both hind legs, so the hon. gentleman took the animal over the Rockies into British Columbia and worked him off on the people of that province. I do not know just what British Columbia will gain by the "critter," I am sure; but I would advise the people of that province not always to take an attitude antagonistic to the prairie provinces. The prairies constitute the best market they have in the world for many of their products, and there is no reason why we should not work together. One of the bright spots during the depression was the fact that we had an all year ocean port at Vancouver for our grain, and this was certainly very reassuring. Regina is about midway between Fort William and the Pacific, and we are prepared and willing to assist British Columbia in getting any equalization of rates in order that a portion of our grain may reach the markets of the world via a Canadian port. As a grain port Vancouver is of great benefit to us, but it is useless to us for stock shipments as the time consumed in shipping via Vancouver would render it impossible for us to compete in the British market.

I notice that our agricultural friends favouring protection are more candid than many manufacturers. The latter have always attempted to argue that an increase in duty does not increase the cost of goods to the home purchaser, but the dairyman argues in favour of a duty in order that he can charge the purchaser in the home market the extra three or four cents for every pound of butter that is sold in Canada. The hon. member for Kings (Mr. Macdonald)—I am sorry he is not in his seat—let the protectionist cat out of the bag nicely the other night, and it stood revealed in all its cattishness. One of his contentions was that if he had had a duty of ten cents a bushel on potatoes in 1924, he could have charged the western farmers ten cents a bushel more for their seed potatoes when they were already paying $1.50 to $2 a bushel. That was his argument in favour of protection, and that, Mr. Speaker, is the only argument that has been advanced in this House in favour of protection—in order that the home market might be protected. What does that mean? It means that the home market would be protected in order that higher prices might be obtained from the consumer. That is the idea, and that is what we object to, and object to in all sincerity. That policy will never build up a united Canada. That policy has built a wall of separation between western Canada and eastern Canada that is daily mounting. It has got so high now that it takes a man of high vision to see over it. That policy has built a wall between the Maritime provinces and eastern Canada. How much longer can that policy go on if we are to remain a united Canada?

I think the time is coming when we as Canadians will have to sit down together and evolve a policy that will be fair to every part of Canada, fair to the Maritime provinces, fair to the east and the central part of Canada, and fair to the west, and in a spirit of friendship and goodwill we must put a tremendous charge of patriotism under that wall that has been built up and blow the accursed thing out of our national existence. Otherwise, it will shatter confederation into atoms. You cannot go on with a policy of that kind and still have a prosperous and united Canada. You cannot have a united

Canada unless there is fair play all around. The discontent in the Maritime provinces cannot be allowed to continue; the discontent in the west cannot go on. You people in the central provinces have acquired eight-tenths of the liquid wealth of Canada. By the absorption of banks and the centralization of big financial institutions you have now in the large cities of Toronto, Hamilton, and Montreal, eight-tenths of the liquid assets of this Dominion. You control all our principal banks and trust and loan companies. We are not objecting so much to that so long as you realize that you are holding those institutions in trust for the people of Canada. The money is not yours; it belongs to the people of Canada, and is it fair and reasonable when the western farmer or producer wants to borrow a few hundred dollars to finance his crop that he should be charged eight and nine and ten per cent when you have millions to loan for stock speculation in the United States and other foreign countries. You will have to realize that you are holding that money in trust for the rest of Canada, and if you are going to play fair, reasonable consideration will have to be given to the outlying parts of Canada

I want to say a few words, Mr. Speaker, in connection with the Hudson Bay railway. That railway has been somewhat of a bone of contention among the people of Canada for a great many years past. The people of western Canada firmly believe that the road will provide a profitable outlet for our stock and for a quantity of our wheat. Let me say right here that it is not going to deprive the ports of Vancouver, Halifax or St. John of one bushel of grain that can be handled through those ports; there is no question about that. The production of western Canada is going to be so great in the years to come that all those ports will be choked. Vancouver was practically choked this fall with about fifty million bushels; they will have to add to their facilities. Not much more than forty per cent of the wheat that goes east goes through the port of Montreal. We have to have an outlet, and unquestionably nature intended the Hudson Bay to be the outlet for the western plains. If this were a new project, if we were asking the country to spend twenty or twenty-five million dollars on an absolutely new enterprise, there would be some reason for turning us down and saying it would be impossible at this time to consider the matter. But the government of Canada year in and year out have promised to build this road. They have had it investigated. I have in my hand a report that was made by a committee of the Senate and presented in this House in 1923. I also have a few extracts from reliable men that I wish to quote:

As far back as 1744, Mr. Dobbs, writing on conditions in the bay and straits wrote as follows: "It is probable that during the whole winter from October to March there is no ice in the strait to obstruct passage into or out of the bay, for a ship which chanced to be closed up with ice in an inlet, by the breaking of ice got out and came through the strait at Christmas without finding any ice in the strait to prevent her passage."

Col. R. H. Webb, present mayor of Winnipeg, passed through the strait in February, 1904, and encountered no ice.

Dr. Robert Bell, F.R.S., credited with seventeen years' experience in northern waters says: "It is impossible that there should be at any time in the twelve months difficulty in navigating the straits for they are upon tide water. . . . . Why, navigation through the straits should be particularly easy, because while there may at times be floating ice, there are no rocks and islands upon which to go ashore."

Captain William Hackland, in Hudson's Bay Company service for 39 years: "Straits never freeze; no reason why steamships should not navigate at any time."

Mr. J. W. Tyrell, geologist, who passed through straits several times, writes: "As to icebergs, they are occasionally met with in Hudson straits being sometimes carried along the north shore by the prevailing current from Davis strait, but they are by no means of frequent occurrence, and not one-tenth as numerous as off the straits of Belle Isle."

Then follows the opinion of Captain Bernier, who has had nineteen years' experience in northern waters, and on whose opinion I place more reliance than on all the rest put together. He says:

The Hudson bay and strait are open to navigation the year around, but as far as the strait is concerned, icebergs block the way in places according where the current into or out of the bay drives them. With wireless stations established so that ships could be directed in their course, the Hudson bay ports would rank amongst the most important on the continent, owing to the very appreciable difference in distance to Europe compared with that of other ports.

In 1924, on his return from the north, he wrote as follows:

The nightmare and terror of the Hudson bay are about passed, and with aids to navigation, wireless, proper ships and proper men, it will be safer than the St. Lawrence, because there are very few shoals and the water is uniform and nearly constant daylight during the summer, which enables a mariner to see around him.

These are not the opinions of some westerner who might be led away by undue enthusiasm; they are the opinions of men of experience, practical men. All that the west is asking at the present time is that the remaining one hundred miles or less be laid with steel and brought into the bay, and sufficient facilities provided in ordet to thoroughly test the practicability of this route. I am satisfied that the additional expenditure necessary would be well justified, for the country has already put $22,000,000

into this enterprise, and surely for the sake of making that investment of $22,000,000 available for earning purposes, we should not hesitate to spend the extra three or four million dollars that is required.

There is no doubt that there is immense wealth in that region. Take for instance, the purchase recently of the Flin-Flon mine, not very far distant from this line of railway. It was sold for close to $4,000,000, and the American company that purchased it is prepared to spend another $20,000,000 on development. Unless the Canadian National railway and the government get busy and get that line into Port Nelson, the Canadian Pacific will be into Fort Churchill first, for they are heading that way as fast as they can. Do not make any mistake; the Canadian Pacific Railway Company do not throw away any money on enterprises of that kind unless they can see results.

Mr. McGIBBON: Is the hon. member speaking with the authority of the government when he says they are limited to three or four millions?

Mr. DARKE: No, I am speaking just as an ordinary business man. I am not in the secrets of the government and do not pretend to know what the government intend to spend; I am only suggesting that amount as being, I think, a reasonable estimate of the amount needed to complete the line to the bay, furnish adequate terminals, and thorourgly test out the road. Already $6,000,000 has been spent on terminals.

Mr. McGIBBON: That is all destroyed.

Mr. DARKE: Oh no, not a bit of it. The work is in perfectly good condition; just as good as the day it was built. A large delegation comprising representatives from Regina and Winnipeg inspected the work last year, and found it in splendid condition. All that is required is to reballast a part of the track, replace the ties, and lay the rails on the remainder of the line to the bay.

I have taken up much more time than I had intended, but I wish to make these few further observations: After thirty-three years' residence in the west I have absolute faith in the future of western Canada. I only wish that more of the people of eastern Canada would come west and see what conditions are there. As a director of the Regina agricultural exhibition I invite hon. gentlemen to come west next year and visit our exhibition. Bring a trainload of your manufactured goods along with you, and meet the farmers of the west. You will find them friendly and open to conviction if you can show that you can produce goods of as excellent a quality as are manufactured elsewhere. Drop off at Brandon, the home of the good Progressive leader, and also at Saskatoon, Calgary and Edmonton. Show the people of the west that you have some interest in them. The west is the finest market that exists in the world, and what we want to do is to try to build up that market in the true spirit of Canadian friendship and patriotism.

Mr. STEWART McCLENAGHAN (Ottawa): Mr. Speaker, as a representative of Ottawa I wish, on behalf of my fellow citizens, to extend to hon. members of this House a very hearty welcome to this the capital city of Canada. Coming as you do from all parts of the Dominion we would like you to feel not as strangers within our gates but as citizens of Ottawa, because this, after all, is your capital city as well as ours, and we believe that you share our interest in its welfare, our pride in its beauty, and our desire to make it worthy of this great Dominion. We ask you to convey to your constituents this message, that Ottawa's interests are the interests of the Canadian people, and that anything that tends to improve the architectural and natural beauties of the seat of government is a matter not merely of local but of national concern. We have in Ottawa a city that we are very proud of, and we ask you when you return to your homes to tell your constituents about the beautiful capital that is theirs. We also want you to extol the fine climate we enjoy. We are not ashamed of our winter climate in Ottawa; on the contrary we boast of it. We wish the people of Canada to discontinue the habit many of them have of going south for the winter; we would like them to accompany their representatives to the capital and enjoy the really wonderful winter climate with which we are blessed.

The mayor and the city council have requested me to state that in August next we shall celebrate the hundredth anniversary of the founding of the capital. A great celebration, which is to occupy two weeks, is planned, and we invite every member of parliament when he goes home to talk to his constituents, to tell them about this magnificent city, and try to induce them to come to Ottawa and make our acquaintance. One of the strange things that has impressed me since I entered the House is the fact that every province in the Dominion seems to have a grievance, with the exception of the two old provinces of Quebec and Ontario. They are the only ones who appear to be perfectly happy. I

have not heard any representatives from these provinces make any complaint about grievances. On the other hand we have heard all about the woes of the wheat miners of the west, and we have heard all about the troubles, trials and tribulations of Nova Scotia.

An hon. MEMBER: Not yet, only some of them.

Mr. McCLENAGHAN: Yes, we have heard some of them, and I can testify that they were very ably explained. But the point I want to get to the people of Canada is this: I attended a banquet in this city a year ago last spring in celebration of the one hundredth anniversary of the birth of the Hon. Thomas d'Arcy McGee, one of the Fathers of Confederation. Now, I happened to take part in the arranging of that banquet, with the result that I read a lot about confederation. As a result of my reading the history of confederation, and after hearing hon. members from Nova Scotia and New Brunswick tell their story, I came to the conclusion, that those provinces had a grievance, a real grievance; and as a representative of the central part of Canada I am going to do all in my power to help them.

Since coming to this House and hearing all these matters it has occurred to me that we shall have to start a second confederation; we shall have to delegate a competent body of men to go through Canada preaching a new confederation spirit. It seems to me that we are not going to get anywhere if there is continual bickering and fighting between the west and the east. The hon. gentleman who preceded me said in one portion of his address that while he was a free trader, yet when it came down to business free trade was a theory, the inference being that from a commonsense view anything else than a policy of protection was scarcely possible in this country. I believe the same idea prevails in the minds of most of the hon. members of this House, but they do not seem to get together. I imagine, however, that if twenty members from the west, including the Progressives, and twenty members from Quebec and Ontario, were to get together some morning and talk these things over, we might arrive at a solution of many of these questions. In this connection let me say that the first speech I ever heard on the subject of protection was delivered by the late Sir John A. Macdonald in the old opera house in this city, and there were a few words in that speech that impressed me most forcibly. The old chieftain during his speech walked up and down the stage, and said: "To get the right idea about the National Policy the people must bear each other's burdens." There is the great underlying idea in a nutshell. Sir John went on to explain what he meant by that. He said. "You people in Ontario may have to pay a little more for your coal, but when you do that you will be helping your brothers, the miners in Nova Scotia. The people of Nova Scotia may have to pay a little more for their flour, but in doing so they will be helping the farmers and millers of Ontario." I wonder if the great men of that time, the Fathers of Confederation, had a broader grasp of this question than we have.

I want you to compare the idea of protection as illustrated by Sir John A. Macdonald with the position taken by the Right Hon. Mackenzie King when he returned to Ontario after his western tour. If my memory serves me rightly, at the first meeting he addressed in Ontario after coming from the west he spoke somewhat after this fashion: "You will have to watch this man Meighen. He has told the people in the west that he is prepared to do everything in his power to help by means of an adjustment of freight rates to bring coal down to Ontario; therefore you people of Ontario want to watch and see that your coal prices do not go up." Compare that attempt to arouse a spirit of antagonism in the minds of the people of Ontario with the breadth of view displayed by Sir John A. Macdonald when he said that we would have to bear each others burdens.

I believe it is necessary that we should all get more closely together on questions of this kind. Those of us in the east are strongly convinced that protection is the policy for this country; there is no question about it. During the election in the city of Ottawa we told the people there were just two planks in our platform. The first plank we put before them was a protective policy for the purpose of safeguarding the interests of the working man and the working woman in this country, as well as the interests of the producer, and for the purpose of preserving the forests, the mines and the fisheries. It was a policy of safeguarding. The other plank was given to us by the people of Ottawa, and I think it was the plank on which we won the election, namely, an absolute want of confidence in the King government. I want hon. members from the west to realize that at the Auditorium here in his own home town the Right Hon. Mackenzie King had one of the largest meetings held in his interest in the Dominion. He did not have as

large a meeting as the right hon. leader of the opposition, by five thousand, but it was large enough. At that meeting he said: "I want to get into this next parliament with a clear majority over all. I desire to have a majority of Liberals so that I shall not have to depend on the Progressives." Introducing the English candidate he said, "Here is my friend Mr. Wilson, who entered the Dominion parliament at the same time that I did. We were deskmates together, and got our first inspiration of Liberalism behind the grand old chieftain, Sir Wilfrid Laurier." The next gentleman he introduced was Mr. Chevrier, the then sitting member, whom he referred to as one of the very finest men, a gentleman who had given him great assistance in Ottawa. We Conservatives agreed that the two candidates put up by the Liberals in the city of Ottawa were gentlemen above reproach. We admitted that the Liberals had two strong candidates. Mr. Mackenzie King had lived in the city of Ottawa since 1900; he was known by the people of this city better than by those of any other part of the Dominion. Some of the members of his cabinet have been living here ten and fifteen years. Hon. gentlemen must bear in mind that Ottawa is bilingual and we have a dual seat. The English and French candidates are elected on the same ticket; the elector votes for two candidates. Notwithstanding the fact that this was the Right Hon. Mackenzie King's own home town and that he had two splendid candidates, what was the result? Our whole campaign was conducted purely on policy. We had no personalities. We did not talk about the war in Turkey, about conscription or anything of that kind, because the majority of the votes in this particular riding were English, consequently that kind of talk would not go down. We had to talk straight business, and it was a business election. What was the result, then, in Mr. King's home town, where he and every one of his cabinet ministers were known? We knew them; we saw them driving past in their $8,000 automobiles, and if we did not get out of the way we would be splashed with the mud. The people of Ottawa, knowing Mackenzie King and the members of his cabinet as they did, voted want of confidence in them and turned a majority of 6,000 for the Liberals in 1921 into a majority of about 2,300 in 1925 for the Conservatives. That is something you westerners ought to consider and take notice of.

I have heard some hon. members on the other side refer to William Lyon Mackenzie King, and it sounded something like a high churchman chanting the litany. But we know them all and it does not have any effect upon us. Mr. King is a nice gentleman; we all like him personally, but do not like his policy. The citizens of Ottawa and the citizens of Canada at large claim that the policy inaugurated during the last four years—or the lack of policy—has had a deterrent effect upon business, and that is the reason the people voted against his candidates. They have nothing against the candidates personally. It was a straight want of confidence vote in the King government.

I sat in the galleries when Sir John A. Macdonald was here, and I have heard all the great men in the public life of the country. I am one of the few in this House who had occasion when a boy to talk to the late Alexander Mackenzie, consequently I have seen all kinds of parliaments. I always sat in the men's gallery. I have been watching proceedings in the House for years. The people of Ottawa sit in the galleries, watch the proceedings and listen to the debates, and they generally form their opinion from the knowledge they acquire in that way. The rumour always is that as Ottawa goes, so the Dominion goes. Ottawa went Conservative, and I claim the Dominion went Conservative. There is no question in my mind that the consensus of opinion is absolutely behind our right hon. leader, and what makes me feel so sure of that is the fact that the right hon. leader of our party in the last parliament had a following of a little over 50, but now comes back with 116. The right hon. leader of the government, when the House dissolved, had a following of 117; he now comes back with 101. The Progressives went out with something like 65, and they now return with 24. What would any ordinary man think about that? Would he not tell us that the consensus of opinion of the people of Canada was in favour of the Conservative party and their policy? There is no question about it that the people of Canada are anxious that we should assume the responsibilities of government at the present time.

The Right Hon. Mackenzie King, speaking at the Auditorium last October, made the statement that he wanted to get in absolutely independent of the Progressives. I happened to pick up a clipping from a paper, and it is strange that it comes from Vancouver, dated October 4. It contains the report of a meeting in that city. There were a lot of hecklers present and one of them was heckling Mackenzie King. Mackenzie King stated that the government could have stayed in office—and then a heckler broke in and

said, "As long as old Forke helped you," and Mackenzie King replied:

"Old Forke" has given us a lot of help, but he also has given us a lot of trouble. We are asking for a majority large enough to enable us to govern without fear or favour from any party or individual.

How can Mr. Mackenzie King expect to conduct affairs without fear or favour when he has sixteen less followers than he had last session? He is absolutely in the hands and under the will of his master. His master's voice is that of the hon. member for Brandon. That is where the leader of the government sits. You cannot figure it out in any other way. I cannot understand why that hon. member sits on this side instead of going across the floor with hon. members opposite. He should go over there where he rightly belongs, as the actual leader of the government. I hope before the recess is over, Mr. Speaker, you will be good enough to see that the hon. member is given a seat on that side so that we will be able to face him and not have to talk behind his back, as we are doing at the present time. I know there are independent men in the Progressive party and I respect them, but in my opinion there are more independent men in the Conservative party than in all the other parties put together; because when people are good Conservatives they are always independent.

Mr. Speaker, I move the adjournment of the debate.

Motion agreed to and debate adjourned.

On motion of Mr. Lapointe the House adjourned at 10.10 p.m.

Monday, February 22, 1926

The House met at three o'clock.

RESIGNATION OF MR. DARKE

Mr. SPEAKER: I wish to lay on the table the letter of resignation of the hon. member for Regina (Mr. Darke) which will be published in the Votes and Proceedings.

REPORT TABLED

Report for 1924-25 of the Honorary Advisory Council for Scientific and Industrial Research in Canada.—Hon. Mr. Robb.

INTERNATIONAL LABOUR CONGRESS

RECOMMENDATIONS TABLED

Hon. J. H. KING (Acting Minister of Labour): Mr. Speaker, I beg to lay on the table of the House the authentic text of a recommendation adopted at the sixth session of the International Labour Congress—League of Nations—in 1924, concerning the development of facilities for the utilization of workers' spare time. The proposals contained in this recommendation were considered by the law officers of the crown, and were found mostly to be within provincial jurisdiction. The text of the order in council on these subject matters which was adopted on the report of the Minister of Justice is also being laid on the table.

Copies of this order in council and of the recommendations referred to are being communicated officially to the respective provincial governments.

DEATH OF QUEEN ALEXANDRA

Hon. ERNEST LAPOINTE (Leader of the House): Mr. Speaker, I beg to move:

That a message be sent to the Senate to acquaint Their Honours that this House doth unite with the Senate in an address to His Excellency the Governor General, praying His Excellency to transmit a joint address of both Houses to His Most Excellent Majesty the King, expressing the deep regret and heartfelt sorrow at the demise of Her Majesty the late Queen Mother, in such a way as to His Excellency may seem fit, in order that the same may be laid at the foot of the throne, and that they have filled in the blank space therein with the word "Commons"; and that the Clerk of the House do carry the said message to the Senate.

I will ask my right hon. friend the leader of the opposition (Mr. Meighen) to second the motion.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I beg to second the motion, Mr. Speaker.

Motion agreed to.

TRANSPORTATION OF COAL

SEVEN DOLLAR RATE ON ALBERTA COAL

On the Orders of the Day:

Mr. E. J. GARLAND (Bow River): Mr. Speaker, I desire to draw the attention of the government to a telegram which I sent on February 17 to the government of Alberta, to the effect that:

There is danger that the coal rate inquiry under the order in council recently passed may not reach a finding in time for parliamentary action this session, and that any movement of coal would cease should seven dollar rate be suspended in the meantime. Necessity of holding market and satisfying public sentiment and demand was obvious. Therefore recommended that governments of Alberta, Ontario and Dominion guarantee any difference between the seven dollar rate and rate determined by railway commission up to two hundred thousand tons.

I am assured of the sympathetic attitude of the Alberta government. Premier Ferguson has already made public his entire sympathy with the proposal according to to-day's press. I now desire to ask if the House may have the

assurance that the Dominion government will co-operate with the two provincial governments in this matter, and immediately make the necessary arrangements with Sir Henry Thornton.

Hon. CHARLES STEWART (Minister of the Interior): Mr. Speaker, I think I cannot do better than put on Hansard the wires that passed to-day between the Prime Minister and Premier Ferguson of Ontario. Although I did not see this wire in this morning's papers I understand it appears there:

Right Hon. W. L. MACKENZIE KING,
Prime Minister, Ottawa, Ontario.

Understand that pursuant to order in council passed by Dominion government on application of Ontario and Alberta governments for investigation of coal rates from Alberta and Nova Scotia the railway board has fixed hearing for late in April. Any order made at such hearing will be too late to be of value in relieving coal shortage this winter. If National Railways will pending hearing continue movement coal under present arrangement provincial governments supervision Ontario government will pay one-third out of pocket costs in excess of seven dollars per ton if Dominion and Alberta will each pay one-third. Urgent Ontario consumers have immediate supply. Feel sure you will agree important to encourage development and use of Canadian resources and retain money in Canadian channels. Would appreciate early reply.

G. HOWARD FERGUSON.

To which the Prime Minister forwarded the following:

The Honourable G. HOWARD FERGUSON,
Premier of Ontario, Toronto, Ontario.

Your wire received in which you enquire if the government will pay one-third of the excess cost of the movement of Alberta coal to Ontario pending the report of the investigation to be held by the railway board.

On the 26th of January our government decided to bear a proportion of the excess cost of the transportation of fuel, both east and west, and on that date wired Premier Rhodes to that effect with respect to a movement from his province. We did not notify your government or the government of Alberta on account of seven dollar rate being in effect on the Canadian National Railways at that time.

In the event of the railways discontinuing the seven dollar rate as an emergent situation appears still to exist we will be pleased to contribute one-third of excess cost of movement until the finding of railway board, provided that your government and the government of Alberta will each contribute a like amount.

W. L. MACKENZIE KING.

RATE ON NOVA SCOTIA COAL

On the Orders of the Day:

Mr. THOMAS CANTLEY (Pictou): Can the Minister of the Interior (Mr. Stewart, West Edmonton) now give us the answer which he promised us three weeks ago or, to be exact, on January 28, with reference to the coal situation in Nova Scotia? On that occasion the minister said:

There is still under advisement the matter of the shipment of the 15,000 tons. I have the matter up with the Railway department, and I hope to be able to give hon. gentlemen who are interested and the House generally a definite answer to-morrow.

Will the minister give that answer to-day?

Hon. CHARLES STEWART (West Edmonton, Minister of the Interior): I always like to be courteous but I want to draw my hon. friend's attention to the fact that I answered that question long ago, when the railway company agreed to increase the 120,000 tons to be banked to 135,000 tons, making an addition of 15,000 tons to be taken from the Princess mine. That was the answer I gave my hon. friend.

Mr. CANTLEY: May I ask another question? Am I to understand that the minister wishes us to consider his reply an answer to my question?

Some hon. MEMBERS: Order.

Mr. SPEAKER: Order.

Mr. LAPOINTE: There can be no comment on an answer.

MINISTER OF RAILWAYS AND CANALS

RESIGNATION OF RIGHT HON. GEORGE P. GRAHAM AND APPOINTMENT OF HON. CHARLES A. DUNNING

On the Orders of the Day:

Hon. ERNEST LAPOINTE (Leader of the House): Mr. Speaker, I desire to inform the House that the Right Hon. George P. Graham has tendered his resignation as Minister of Railways and Canals, and that it has been accepted. I beg to lay on the table the correspondence exchanged between the Prime Minister and Mr. Graham.

I also desire to inform the House that the Hon. Charles A. Dunning has accepted the portfolio of Railways and Canals.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): It may perhaps be premature on my part before having had an opportunity of reading the correspondence just tabled to offer any comment on the announcement of the acting leader of the government (Mr. Lapointe). The event, however, is of such consequence that it seems to call for at least a brief observation. The Right Hon. Mr. Graham has retired, following of course his defeat in the late election, and his resignation is now accepted. I am sure I am not going beyond the demands of courtesy when I say that, aside altogether from the merits of Mr. Graham's defeat in the contest, all of us regret his absence from this House as a fellow member. He has been connected in most distinguished stations for very many

years with the public life of this country and has been at all times a popular member of the House of Commons. I stated that my remarks are entirely aside from the merits of the rebuke of the government which was passed by the electors in the late contest, in which rebuke Mr. Graham shared; but I can add this, that if ever there was a defeat of which the causes went to the root of public policy and the demerits of the administration as a whole and were not personal to the candidate himself, it was the defeat of Mr. Graham. I feel that he has taken the right course in offering his resignation and am only sorry that such a good example has not been more generally followed. I again express regret that Mr. Graham has passed from the stage of our public life.

Mr. LAPOINTE: I rise for the purpose of expressing to my right hon. friend (Mr. Meighen) my deep gratitude for the kind words he has said with regard to Mr. Graham. Mr. Graham is certainly one public man in Canada who has richly earned the affection and respect, I should say the love, of all those with whom he has come in contact. I only hope, indeed I feel sure, that his services to the Canadian people will be continued in some other high capacity.

AUSTRALIAN TREATY

BOUNTY ON BUTTER EXPORTED FROM COMMONWEALTH

On the Orders of the Day:

Mr. DONALD SUTHERLAND (South Oxford): I beg to draw the attention of the Minister of Agriculture (Mr. Motherwell) to an article which appears in Trade Bulletin of February 19 and to ask for some information with regard to the matter dealt with therein.

The Primary Producers News of Sydney, Australia, has the following: As the result of several meetings of members of the Inter-state Stabilization Committee held in Sydney recently, at which the finishing touches were put to the Paterson scheme, Mr. G. Twohill, general secretary of the scheme, was authorized to issue the following notices to all factories in New South Wales:

"I have pleasure in advising that I am instructed to inform you the Australian Stabilization Committee on Saturday last decided to put into operation what is generally known as the Paterson scheme as from January 1, 1926. It is proposed that the levy be 1½d. per pound on all grades of butter manufactured in the commonwealth, and 3d per pound export bounty will be paid on all butter exported irrespective of grade. The 1½d. levy is higher than the 1d. used originally as the basis to illustrate the scheme on the 33⅓ per cent of export. The present day export is considerably more than this, hence to secure the bounty of 3d., a levy of 1½d. is necessary.

[Mr. Meighen.]

Mr. SPEAKER: I would remind the hon. member that it is hardly permissible to read long articles on the orders of the day.

Mr. SUTHERLAND (South Oxford): Just three or four more lines will complete the item, Mr. Speaker.

Mr. SPEAKER: I would advise the hon. member to reduce his statement to a question and put it on the order paper.

Mr. MEIGHEN: It is doubly objectionable when the article read is a telegram sent by the reader himself.

Mr. SUTHERLAND (South Oxford): The article in question concludes:

It was deemed absolutely essential to bring the scheme into operation from January 1, and to impose the 1½d. levy owing to the market position in London, where conditions prevailing are very unstable, and as funds accumulate from the levies, the 3d. bounty will be paid.

The question I want to ask the Minister of Agriculture is this: Are the exporters receiving this six cents per pound on the butter that is now coming into Canada?

Hon. J. A. ROBB (Minister of Finance): May I point out to my hon. friend that according to the statement he has just read that cannot be true, inasmuch as the telegram indicates that they completed the arrangement only a few days ago.

Mr. SUTHERLAND (South Oxford): It dates back.

Hon. W. R. MOTHERWELL (Minister of Agriculture): My attention has been called to the article which the hon. gentleman has just read. It may or may not be reliable, and in order to make sure the Minister of Finance, I understand, is in communication with the government of the Australian commonwealth to ascertain to what extent it is true. In the meantime our information is that the matter is purely one of private concern and has nothing to do with the commonwealth, although, of course, that does not prevent its being of interest to the Canadian people.

ADJOURNMENT OF THE HOUSE

On the Orders of the Day:

Mr. A. L. BEAUBIEN (Provencher): In view of the coming adjournment may I ask the government a question? Would it be safe for hon. members to make their reservations for the end of the week?

Hon. ERNEST LAPOINTE (Leader of the House): I would refer my hon. friend to the other side of the House.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Speaking for this side of the House, I may say, without any indication that an adjournment will take place, that I have no objection to the hon. member making his reservation at any moment.

CANADIAN NATIONAL RAILWAYS

INVERNESS RAILWAY

On the Orders of the Day:

Sir HENRY DRAYTON (West York): I rise to ask whether the hon. gentleman who now represents in this House our newly appointed Minister of Railways would be kind enough to table the two orders in council relating to the Inverness railway. They should be tabled.

Hon. ERNEST LAPOINTE (Leader of the House): I will direct the attention of the Acting Minister of Railways to the question.

Mr. MEIGHEN: Who is he?

Mr. LAPOINTE: The Minister of Finance (Mr. Robb) will be Acting Minister of Railways until Mr. Dunning enters parliament.

GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

The House resumed from Friday, February 19, consideration of the motion of Mr. J. C. Elliott for an Address to His Excellency the Governor General in reply to his Speech at the opening of the session, and the proposed motion of Mr. Bird: "That this question be now put."

Mr. STEWART McCLENAGHAN (Ottawa): Mr. Speaker, when the House adjourned on Friday night I was about to make a few remarks on the question of the tariff as mentioned in the Speech from the Throne, but before doing so I should like first to clear the ground a little. On Friday night the hon. member for Regina (Mr. Darke) spoke of a great barrier being set up between the west and the east, and insinuated that there was a likelihood of grave differences of opinion arising owing to the avarice of the protectionists in the east. A few nights before that the hon. member for Lisgar (Mr. Brown), spoke of the people in the east looking upon the people of the west as colonials. The hon. member for Rosetown (Mr. Evans) speaking in this debate referred to the manufacturers as parasites, bloodsuckers and robbers. Evidently, Mr. Speaker, there is a feeling in the west that there is in the east some sort of a conspiracy antagonistic to the west. Now before we can get this question of the tariff properly before the people of the west, we must try to break down this barrier of misunderstanding that apparently exists. I am not a manufacturer, but I want to say from my experience of some thirty-five years in business as a retailer that I have found the manufacturers of this country, the great big producers, probably the finest class of men in it, and for these gentlemen from the west to have such extraordinary ideas about the ordinary plain business men of the east indicates a very peculiar frame of mind. I have been associated with a great many business organizations and have attended many business conventions, and never upon any occasion have I heard any class of business men in the east, either retailers, wholesalers or manufacturers, reflecting upon the people of the west. We are all proud of the people of the west; we are just as proud of them as we are of our people in the east, because we are all Canadians, and we should approach this question of the tariff purely from a business standpoint I have always felt that the tariff is a question that should be considered purely as a business proposition, and not as a political question at all.

Before leaving this question, I should just like to give the House my ideal of a great manufacturer, and I think hon. members will agree that the majority of the manufacturers in this country belong to his class. Within the last few months in the city of Ottawa there passed from the scene one of the outstanding captains of industry in this country; I refer to the late John R. Booth, probably one of our greatest Canadians. He came to this city a poor man, with just his axe and saw. He started out as a saw filer, then became a mill hand, and eventually started a small mill for himself, and from that small mill there grew the great works that we can see from the parliament buildings known as the John R. Booth industries. I am sure that every member of this House can at once visualize some manufacturer in his own community who has had a similar experience, starting in with practically nothing beyond his own ability and initiative. I believe that ninety per cent of the manufacturers of this country have started from the botton and have worked their way up to be masters of the institutions they control.

I remember hearing the late John R. Booth speak at a banquet held at the Russell House in this city under the auspices of the board of trade. Earl Grey was the guest of honour, and at his side sat the late Mr. Booth and the late Sir Wilfrid Laurier. On that occasion Mr. Booth made one of the very, very few speeches of his life. He made only about

half a dozen during his whole lifetime, and this was one of them. Here at this banquet, at which probably two hundred of the leading men of the capital were present, each in dress suit, sat at the side of the Governor General of Canada that great democrat, John R. Booth, in his ordinary double-breasted sack suit. When his turn came to speak, he was very, very brief, and the pith of his remarks was this: I want you people to realize, he said, the position of the manufacturer, and to have great sympathy for him, for the manufacturer and the producer is a man whose work should be recognized and who should be sympathized with by every individual in this country. Take for instance the man who goes out into the woods, cuts down a tree, and rolls it into the water. In probably two years it reaches his mill, and is then taken out and put through the sawmill. A part of it is made into paper, another part goes into the planing mill and is made into doors and furniture of all kinds. Such a man, said Mr. Booth—one who is converting the raw material into the finished article—is a great asset to this country. That is the spirit, Mr. Speaker, in which I wish to approach my few remarks about the tariff. I want first to get the members of this House to realize that the manufacturers as a class are some of the biggest men, the broadest-minded men, and the greatest community workers that we have in the Dominion of Canada, or that there are in any country, and when one hon. member says that the manufacturers of this country come whining to the government for certain things, I claim that when they come, they come with a business proposition, and they ask only for what they consider is their right.

I shall speak of the tariff in relation to only one business, and that is the woollen business. I have been mixed up in the woollen business for probably forty years, not as a manufacturer, but as a retailer, handling all kinds of material, and consequently I can speak from experience. The Speech from the Throne says:

> My ministers are of the opinion that a general increase in the customs tariff would prove detrimental to the country's continued prosperity.

That cannot possibly be the case with regard to the woollen industry. The tariff on woollens must be raised in order to induce our manufacturers to stay here and continue in business. The Speech from the Throne also speaks of the appoinment of a tariff board. I have a despatch here from Washington which appeared in the Financial Post, and reads as follows:

[Mr. McClenaghan.]

> Washington.—The plan for a tariff commission outlined by Premier King for Canada does not appeal to those who understand the machinery of the United States Tariff Commission as one likely to succeed.
>
> The U.S. Tariff Commission serves in the capacity of an expert adviser to the president and his cabinet. As understood here the Canadian commission would not be formed of experts but of representatives of various political and social factions. It would, they submit, not take the tariff out of politics but would merely put it into a political commission.
>
> If Canada would take a leaf from the experience of the United States in regard to tariff matters, a commission would be appointed to carry on investigations and inquiries in various directions and to give the finance minister expert advice in the framing of his budget as to the effect which certain tariff proposals would have, the extent to which various industries are in need of protection, etc. But if the commission is made a political body it will merely mean that the fight of the tariff will break out in a new place.

I have quoted this, Mr. Speaker, just for the purpose of emphasizing to the government that the business men of this country are hoping that there will not be appointed to this tariff board merely political derelicts, men who were beaten at the last election and are now floating around, but that only outstanding men of ability will be appointed who will give the industrial world a fair show.

Now, speaking about the woollen business I had been buying woollens from the Boyd Caldwell firm of Lanark for thirty years. Last year I had a large contract which required the kind of material they had been making for me for years, but I found the firm had gone out of business. I tried to get those goods manufactured in Canada, but it was impossible. I had to get them from the Old Country. We imported those goods from the Old Country, and laid down here they cost a shilling a yard more, than did the material I had been purchasing from the Lanark firm, whilst in wearing quality they did not approach within 50 per cent the goods produced in the factories here notwithstanding the fact that they cost more. The same experience has been encountered all along the line. I remember the late William Paterson, while he was Minister of Customs, speaking during a budget debate, making the statement: "I am clothed from head to foot in Canadian made garments. The very suit that I am now wearing was made in the town of Lanark at the mill of my colleague, Mr. Caldwell, who is sitting behind me." I venture to say that at the present time there are not 10 per cent of the members of this House, who are wearing garments produced from material made in Canadian factories, the stuff is all imported. All these developments so adverse to Canadian interests have taken place in the last twenty years. Why, in my own place of business and in other establishments where-

as formerly 50 per cent of the woollens sold were Canadian, not 10 per cent of these goods sold to-day are of Canadian manufacture. The extra 10 per cent reduction of duty under the British preferential tariff has made it practically impossible for Canadian firms to compete with importations from Great Britain.

In this connection I have a letter that I wish to read. I wrote Mr. Caldwell asking him to give me some idea of the state of the woollen business. Mr. Caldwell is a gentleman who was formerly a member of this House, a Liberal member, and a personal friend of the late Sir Wilfrid Laurier when that statesman was alive, and he is well known to a great many people in eastern Canada. The letter in question was addressed to me on January 18, and reads as follows:

In speaking of my own experience, when one of my woollen mills in Lanark was burned in 1917, we were all in a state of high tension to supply the clothing necessary for our soldiers overseas. I gathered all my available resources and rebuilt an up to date factory in the town of Perth, more convenient to the railway than the one destroyed by fire at Lanark. I had faith that if we were successful in the war, the government would recognize the efforts of our people at a critical time, and would do nothing to destroy the investment of any legitimate and useful industry in the country. Unfortunately, my reasoning was not confirmed, for on the change of government in 1921, an extra 2½ per cent preference was given to Great Britain, at a critical time, when all business was upset, and called to the attention of Great Britain opportunities in our market for woollen goods, and again the following year, an additional 10 per cent was granted without investigation as to effect upon Canadian industry especially when the valuation of imported goods was made on the then depreciated currency. It was a hardship to think of closing up our mills and discharging valuable artisans, and see them seeking homes where their work would be appreciated across the line in the United States. As I saw no prospects ahead I closed down all my works and have been waiting to see what is going to be done for this most important industry.

All this has been brought about by the Progressive representatives from the west who were elected as members representing the Dominion of Canada, yet whose minds are provincial, they cannot think only in regard to their own province. It is a common statement that Canada needs population, and great stress is laid upon our efforts to encourage emigration. What employment can we offer? The answer generally is "On the farm". Are we not producing on the farm as much as we can dispose of? Why should we seek to intensify this situation? Must we not develop some other occupation, so that our young men may be able to get work during our long winter months without having to leave the country. Clothing is next to food in importance. It develops our higher intellectual minds and is recognized as a most important profession in any country. Safety in fixed assets must surely be a principle to preserve, and the tariff should be well considered and not treated as a political pawn to catch votes in order to retain power.

Now, that is the opinion of the majority of business men in this country. We want a policy that will adequately protect this and other industries. I am not advocating a policy that will make the rich man richer; what we want is a policy that will give our workmen a chance to live in Canada. The letter continues:

This preference, if it rested on all interests, alike, might not be so objectionable, but many other interests are not affected by it, such as the stove manufacturer, the miller, and many others that might be mentioned, placing on the woollen manufacturer practically the whole load in attempting to express our sentiment to Great Britain, a most unfair piece of business.

There is the opinion of a man well qualified to speak on this subject. As he says here:

I am merely expressing my individual thoughts as a man of over fifty years experience in the woollen business disappointed and distressed to see my investments treated in such a manner for the past four years.

That is the opinion of one of the finest manufacturers that I know of in this country The Boyd Caldwell firm made the best woollen tweeds that were used in Canada. As a man who knows something about the subject I can say that in the case of 75 per cent of the goods manufactured in Canada the clothing was much more acceptable to the people of this Dominion that are the imported goods. They were better calculated to wear, and they were made to suit the climate of the particular district in which they were produced. Consequently the woollen industry is one that should certainly be given serious consideration. I believe that in the last election the late Minister of Immigration (Mr. Gordon) expressed the opinion that this government had not treated the woollen men rightly. I hope that whichever government may be in power—personally I do not believe that hon. gentlemen opposite will be in office very long—it will treat the industrial problems of this country on a purely business basis.

Now with respect to knitted goods. I remember that immediately after the war we were pretty large importers of British knitted goods; Canadian manufacturers, owing to the fact that they had received large war orders, were able to install the very latest machinery, and when the war was over the Penmans, the Ballantynes, and other firms were manufacturing the finest knitted goods in the world. There was no country in the world, not even Great Britain or France, turning out knitted goods that could surpass the goods made by the firms I have mentioned and other Canadian companies. I recall that an agent of one of the greatest knitting firms in Great Britain came into my establishment, and after a consultation with the heads of departments we were able to tell him that we would not give any orders that year. During the course of conversation he said to me "I am having much the same experience all along the line.

I have just been in Montreal and Toronto, and I am very much surprised to find that most of your merchants are able to get all they want from the Canadian mills." Practically, he did not get any orders. But the next year they got the extra ten per cent preference, and they are in here larger than ever. In fact the same agent has a permanent office in Toronto, and is handling the whole of the trade of Canada from the agency there, selling the goods purchased in England, instead of buying goods from the manufacturers in this country. To me it is strange that the government seem to be so anxious to safeguard the payrolls of the artisans in Great Britain instead of looking after the artisans of this country. That is a peculiar situation, and I cannot understand why the government does not treat these questions on a purely business basis.

I turn now to another phase of the question, that having to do with the garment workers, especially in women's apparel. I refer to the French treaty and see what is happening there on account of the peculiar way in which that trade arrangement is applied. The French treaty, entered into so gaily by our treaty makers here in Ottawa, and put into effect in September, 1923, put the finishing touch to the difficulties of the wool cloth manufacturers in Canada. It had two effects. It directly increased the amount of goods made in France and sold in Canada and so replaced goods made by workers in Canadian mills, and at the same time it gave an excuse for Bradford manufacturers, to press for 10 per cent reduction in the duties on cloth from Great Britain. The increased imports of cloth from France under the French treaty, added to the increased imports of cloth from Great Britain, is the last straw. Who can fathom the workings of the minds of those who committed the folly of reducing duties on goods from France at a time when the value of the franc was continually depreciating instead of safe-guarding Canadian workers and Canadian industry by increasing the duties? Sir Henry Whitehead, president of the Bradford Chamber of Commerce, addressing that body in May, 1923, said that they could claim that the 1923 reductions in Canadian duties on woollen goods from Great Britain were solely due to their "direct action." That coincides with what Mr. Caldwell says in his letter, that they were given the ten per cent extra without the knowledge of the manufacturers of Canada.

The low duty rates granted by Canada to France under the French Treaty were put into effect in September, 1923. The total imports of woollen and knit goods into Canada from France in the twelve months ending September, 1923, which preceded the putting into effect of the lower duties, amounted to $1,439,748. For the twelve month periods end-September, 1924 and 1925, the imports from France amounted to $3,246,813 in 1924 and $3,156,234 in 1925, or an average of $3,151,523 each year following the reductions in duties.

Invoices from France are still valued at the exchange value of the depreciated franc for assessing the duty. In other words, the reduction in the Canadian duties doubled the competition from France.

For the fiscal years ended March the importations of woollen and knit goods from France were:

Year	Value
1922	$ 699,838
1923	1,020,122
1924	2,061,935
1925	3,284,976

Here is another Canadian industry in which the merchants of this country are deeply interested, and the principal place of manufacture is Montreal.

Perhaps there could be no better example of the injurious effect of the tariff policy of this government on industry in Canada than what has happened in regard to the importation of women's silk clothing from France.

There are in Canada more than one hundred factories making women's silk dresses. Up until 1921 by far the greatest proportion of the silk dresses and other silk clothing worn in Canada was produced in Canadian factories. In 1921 the value of silk clothing imported from France was approximately $142,000. This was about the time that the fall in the value of the French currency commenced. As the value of the franc went down imports increased as the following statement shows:

Imports of Silk Clothing from France

Year	Value
1922	$187,288
1923	264,958
1924	500,026
1925	810,183

While it will be observed that the imports in 1925 had increased nearly 500 per cent, it should be kept in mind that these figures are based on the value of the franc at the time of importation and, as the value of the franc dropped from approximately 20 cents to less than five cents, it will be seen that the actual quantity of goods increased nearly 2,000 per cent. As a matter of fact what happened was that a very important industry in this country was practically wiped out.

That this was going on was well known to the Minister of Finance. Deputations, not only from this industry, but from many other industries, pointed out to the government that their business was being ruined, but, owing to pressure brought to bear by the Progressive party, nothing was done. Canada remained practically the only commercial country in the world which took no steps to protect industry against the demoralizing effect of the depreciated European currency.

The effect of this lack of intelligent interest in the industries of Canada was reflected in the functions held within the past few weeks, of which members of this House were observers. At the opening ceremonies of this House and later at the Drawing Room I am told by those who are competent to express an opinion that probably more than half of the gowns worn by the ladies attending these functions were made in France. One way in which hon. gentlemen who may not be familiar with the details of feminine embellishment could select the French dresses from those made in Canada would be by observing that practically every dress which was adorned with beads or other glittering ornaments was French made. The stringing and sewing on of beads, which is largely done by hand, cannot be profitably done in a country like Canada. In France it is done in the homes of the people, is largely carried on by young children and the older women, who, in their spare time, earn a few francs in this way. This work is frequently carried on in homes where poverty and disease exist and can properly be described as pure sweat shop labour. The products of these sweat shops is a pure luxury in so far as Canada is concerned. Even our Progressive friends, I think, will recognize that a tax upon luxuries of this character is more than justifiable. I venture to say that of the ladies who attended these functions those who wore dresses of Canadian made silk and fabricated in Canadian factories were not less attractive to the eye than those who felt that Paris gowns were necessary to show their beauties to advantage. There is no doubt at all that the failure of this government to recognize the demoralizing effect of depreciated currency of foreign countries has led to the ruination of an important industry.

As I have pointed out, work of this particular character cannot be done as cheaply in Canada as it can abroad, primarily because, in most of the provinces of Canada, we have minimum wage laws. In Ontario the minimum wage for women workers in this industry is $12 per week. This is probably more than a whole family of French people would earn in a month. Few, if any, members of this House will take objection to the principle underlying the minimum wage. Particularly, I am sure, no objection will be found by the Progressives, because, in so far as Ontario is concerned, this legislation was developed and extended under the Drury government.

I have referred to the fact that this government failed in its duty in not taking notice of the effect of depreciated currency on Canadian industry. In this regard it will be interesting to observe the attitude adopted in Great Britain, which some gentlemen regard as the home of free trade. I have in my hand an original copy of the instructions to investigating committees under the Safeguarding of Industries Act. These instructions point out that, where owing to unfair competition the products of other countries can be sold at less than similar products produced in Great Britain, steps may be taken to safeguard British industry, and in describing what should be regarded by the committee as "unfair competition" this document in paragraph (5) of section II stated:

> Competition for the purpose of such enquiry is not to be deemed to be unfair unless it arises from one or more of the following causes:—
>
> (a) Depreciation of currency operating so as to create an export bounty.
>
> (b) Subsidies, bounties or other artificial advantages.
>
> (c) Inferior conditions of employment of labour, whether as respects remuneration or hours of employment, or otherwise, obtaining amongst the persons employed in the production of the imported goods in question as compared with those obtaining amongst persons employed in the production of similar goods in the United Kingdom.

But this government, dominated as they were by a desire to retain office rather than a desire to safeguard the legitimate interests of the country, failed in their duty, and allowed this and many other industries to be ruined. Many members do not realize that there has been such a ruinous effect on the dressmaking business of many factories in Montreal and Toronto and that enormous importations from France have been encouraged. It may surprise hon. members to know that at the present time there is a duty of 32½ per cent on importations of silk from France into Great Britain because Great Britain is beginning to realize that she must protect and safeguard her industries. On the other hand, the same article can be brought into Canada under a duty five per cent less than that on importations into Great Britain. That will give the House some idea why the tariff should be treated by experts, by men who are familiar with

questions of this kind, so that it may be placed on a purely business basis.

I am now going to speak on a question that has not been discussed very frequently in this House although it concerns one of the greatest businessess we have in this country. For the industry of which I speak it is claimed that it has the largest amount of capital invested; that it employs the greatest number of people; that it pays the largest amount of taxes and that it extends from the Atlantic to the Pacific. I refer to the retail trade of this Dominion. The condition of the retail trade is one of the best indications of the state of business generally. If the retailers are prosperous, the whole country is prosperous because they are at the point of contact between the manufacturers and producers and the consumers. In 1924 the Ontario government appointed a committee to go through the whole of that province and find out just what was wrong with business because there was a feeling that something was radically wrong. They appointed a committee of the legislature, composed of Liberals, Conservatives, Labour and Farmers. This committee visited every rural community in that province and they reported to the Ontario legislature in the session of 1924. This is what they said about the retail merchants:

4 p.m.

The committee met the members of the Retail Merchants' Association towards the end of November. The trends of the past three years have been decidedly adverse to them. They are competing against mail order business, chain stores and transient traders. High municipal taxes and reduced purchasing power of their customers have involved many losses. (One representative merchant of a town of 7,000 population showed the committee an average mark-up not in excess of his overhead.) The future is less roseate for these merchants than for any other business class. Reasons advanced for legislative consideration in their interest are:

No city, town or village could exist unless it had in it retail merchants carrying permanent stocks of various lines of trade so that the various lines of goods could be secured immediately when required.

In all cities, towns and villages the land and buildings occupied by retail merchants is the most highly assessed, proving that it is expected that they should pay taxes for the privilege of doing business in the municipality, and as they are paying the highest rate of taxation, with a further taxation on business assessment, and income taxes as well, they should not be exposed to the unfair competition of those who pay no taxes whatever or those who pay very little.

Retail merchants located permanently in a municipality can be held responsible for the quality of the goods they sell.

That gives hon. members some idea of the difficulties under which retail merchants labour. At the different conventions of retail merchants held throughout Canada this year this question of the inroads into retail trade in the rural constituencies by mail order houses was taken up and discussed, with the result that at the present time the president of the Retail Merchants' Association, a gentleman from Vancouver, is travelling all over the Dominion and has been recently in Ontario. They are endeavouring to devise some scheme whereby community life will not be disrupted by these large institutions which, except in the few centres in which they are located, pay no taxes to the community, pay nothing for keeping up churches, schools, roads, or anything of that kind, and yet in some cases sell more and sometimes double the goods which the merchants in the community sell. Many men from the west argue that it is a great hardship that the banks are centralizing their business in Montreal and Toronto, and yet in the west the retail trade is developing in the same way. In a number of places where there were formerly ten or fifteen merchants, there are now only a couple, and all those merchants get to do after the mail order houses have taken the cream of the business is done on credit. If the old order of things were in force and the merchants had the same prosperity that they had in years gone by and enjoyed the support of the wholesalers who have been put out of business by the same mail order institutions, we would not hear so much talk about rural credits because people in the rural communities would be able to get credit from the merchants as they did in the early days. To-day those merchants are either bankrupt or they cannot get credit themselves.

The people do not understand the extent of the business that is being done by the retailers. It is estimated that at the present time there are in Canada approximately 140,000 retailers, men who are engaged in the distribution of merchandise to the local consumer. It is estimated that last year these men distributed more than $4,000,000,000 worth of merchandise. This figure has been arrived at by taking the value of goods produced in Canada, adding thereto the value of goods imported, subtracting therefrom the value of goods exported, and adding approximately 20 per cent for distribution and operating costs of the distributors. On this basis, taking the population of Canada as 8,500,000, the consumptive power of every man, woman and child would be approximately $476. In view of the estimate which has been made of the retail trade in the United States amounting to a little over $45,000,000,000, with approximately 100,000,000 of a population, and as their consumptive power is, proportionately speaking, a little less per capita than in Canada, I believe this figure is quite correct.

Compared with the volume of business which is being done by the merchant class, no other part of our commercial life is more important, and yet each factor is of such importance that one is absolutely dependent upon the other, in volume of trade however, that of retail distribution being probably the greatest. In Canada the value of manufactured products last year amounted to $2,500,000,000, and the value of agricultural products to $1,600,000,000 including the value of dairy products. The value of goods exported from Canada to the 30th September amounted to $1,170,000,000 and the imports to $853,000,000, total trade of a little over $2,000,000,000, or about half the value of the goods distributed by the merchant class in this country. This great industry, the retail trade of the Dominion, is handling practically all the goods both domestic and imported that are distributed among the buying public, yet not one cent is expended on it by any government department, although I understand the Department of Agriculture costs the country about $6,300,000 annually; the Department of Labour, and the Department of Trade and Commerce also involve heavy national expenditure. These departments look after the farmers, the workingmen and the manufacturing interests, but to-day there is not a single department at Ottawa to which the retailers of this country can go for help or information. And yet these people do probably the biggest business, pay the greatest volume of wages and have at stake the greatest investment of any of those engaged in the various activities of this Dominion. That is one reason why the retailers at their recent convention came to the conclusion that it was necessary for them to put their case before the government.

In order that hon. members may not be under the impression that this is purely a local affair, I beg to lay before them a few letters from the secretaries of some of our provincial retail merchants associations. These letters, I am confident, will give the House some idea of the serious inroads which the mail order houses are making on the retail business of the Dominion. The first letter I am about to read is from the secretary of the Manitoba provincial board of the Retail Merchants Association of Canada. Under date of January 22, 1926, he writes to me:

In reply to your letter of the 4th.

The mail order houses, such as the T. Eaton Company and Robert Simpson Company, are taking business out of every municipality in western Canada by catalogue without paying a dollar for the right to do business other than what they pay as a business tax in Winnipeg and Regina. The Winnipeg business tax for the T. Eaton Company is 6⅔ per cent on their annual rent, or about $10,000 for the mail order end of the business.

As an example of what some of our country merchants pay to do business after paying taxes on their homes and store property, a merchant at Steinbach, south of Winnipeg, told us he paid $800 on his stock in trade. He did $63,000 business that year. In other words, he paid about 1¼ per cent on his sales. It is estimated that the T. Eaton Company do out of here about twenty million. Their rate for business tax would be about one two-hundredth of one per cent. Everywhere we have it put up to us, "Why not make these people pay on the same basis as we have to pay? They enjoy the same privilege that we do. They get business here; that is all we get. We pay, but they do not."

The prosperity of the Dominion of Canada rests in a large measure in the communities, in their business, social and moral welfare. Any system that lends itself to breaking down community life is dangerous to the body politic. Take away the life of the community and you endanger the life of the nation. These people are not community builders, they are money-makers—they have an object in view—they are achieving that object. They are undermining local business, they are destroying local opportunity, they are taking away the confidence of the customer in the local merchants. They have the people believing that they sell cheaper, but some goods are being bought from them at a higher price than they could be bought for at home.

I should like the House to get this point:

You ask me to suggest something that would benefit the retail trade of Canada. Do what you can to establish a retail department within the Department of Trade and Commerce, devoted to the interests of efficiency in the distribution of merchandise in Canada—some department that can champion the cause of the local retail merchant, the backbone of every progressive community.

We do not want any special post office rates. We rather want the mail order houses to pay their way. We want uniform conditions for all, special privileges for none. We are entitled to no more, we should receive no less.

The following letter is from the secretary of the Saskatchewan provincial board of the association. Saskatchewan is where all the wise men come from, so this should be good reading:

Acknowledging your letter of January 4, we beg to advise you that in our opinion mail order houses furnish the keenest competition which our country merchants have to face, and this competition is without doubt the cause of many merchants in this province going out of business. We fully recognize that the business of catalogue houses is perfectly legitimate, but the consensus of opinion throughout this province is that mail order houses should contribute in some measure to local taxation in the districts in which they do business.

There are many districts where the mail order houses do more business than the local merchant, contributing nothing whatever to the upkeep of the community, schools, churches, roads, and so on; moreover they take the hard cash out of the district, leaving the merchant a credit business. As the mail order house business increases, and it is increasing year by year, we believe the government will be forced to take some action in the matter unless they wish to see country districts depend entirely upon mail order houses and hawkers and peddlers to supply their needs.

We would like to point out to you that the country merchants are not increasing, and we would also par-

ticularly point out to you that the Canadian Pacific Railway and the Canadian National Railways publish pamphlets containing lists of business opportunities. They mention hundreds of different points showing that general stores, grocery stores, blacksmith shops, garages, drug stores, etc., are needed at those points. They accept no responsibility for this but these pamphlets are compiled from enquiries they make from the people in the district and retailers are invited at the request of the community to invest their money in opening up, say a general store only to find that 50 per cent of the business in the community goes direct to mail order houses or to hawkers and peddlers.

It would appear that the purchasing public are friendly disposed towards both catalogue houses and peddlers, but at the same time they do desire to have the country merchant with a good stock within an easy distance so that they can patronize him when they do not happen to have the ready money to deal with the mail order concerns.

My third letter is from the secretary of the New Brunswick provincial board, thus showing that the condition extends right across the continent and affects this vast number of retail merchants. He writes to me under date of January 6, 1926:

Replying to yours of the 4th instant, please note that the mail order houses are on the broad road to putting 90 per cent of the country stores out of business, as well as having a most demoralizing effect upon the stores of our towns and cities, from the fact that the mail order houses are cutting prices on standard lines and freight and expressage is paid on parcels over five dollars from these mail order houses.

The new post office regulations are, we believe, more beneficial to the mail order houses than to the local merchants. Our only suggestion for protecting our local merchants in small towns, is the price maintenance plan, which will stop prices being cut on standard lines, and the proposed legislation, which we are working on at the present time, of taxing mail order houses a certain percentage on the amount of money they receive from each town, city, municipality or county.

One instance of unfair competition is the fact that the Canadian National Railways issue passes to the families of employees and the ladies take these passes to go to Moncton, because Eaton's are cutting on standard lines of groceries, cottons, threads, etc., and it naturally pays them to go to Moncton when they don't have to pay railway fare.

We will send you a copy of our proposed legislation regarding the taxation of mail order houses as soon as same is received from our solicitor.

They are trying to have a bill put through the legislature of New Brunswick with a view to remedying this unfair condition. He adds the following postcript:

Since Christmas, four firms in St. John have failed and are in the hands of the receivers. Three of these firms were members of our association and the other was a prospective member.

That somewhat offsets the talk about our "great prosperity". Now let me give the House a letter from the president of the association. He is a prominent Liberal of Vancouver and is now in Ontario. I might say that the Retail Merchants Association of Canada has no politics. I am president of the eastern Ontario branch, and my vice-president is the hon. member for Russell (Mr. Goulet) who is sitting on the other side of the House. It will be seen that we are pretty well distributed so far as our political affiliations go. The president wrote me on February 16, 1926, as follows:

In answer to your enquiry I would say that, as a result of a resolution passed at our last annual convention in Vancouver, B.C., I arranged to make a tour of Canada, to personally discuss the cause or causes of complaints, made to our association, of unsatisfactory trading conditions.

Accordingly, this tour of investigation began early in September at Victoria, B.C., and up to this date (February 12, 1926) I have visited every chief centre almost without exception in all provinces from there to Quebec city.

In the smaller communiites particularly the outstanding cause for complaint was mail order competition for two reasons:—

1. By adopting a policy of featuring well-known branded goods at ridiculously low prices, the impression is created that all mail order goods are sold on the same value basis.

2. Mail order houses take business from the community and make no return in kind as a community contribution as is made by local merchants in various ways.

Based on information obtained from all quarters I am of the opinion that retail trading conditions are most unsatisfactory not only to the trader but to the public in general, and that it would be in the best public interest for the Department of Trade and Commerce to investigate these conditions, in an effort to improve trading conditions and standards of retailing, in order that domestic distribution could be established on a better basis, to the ultimate advantage of producer, distributor and consumer.

That gives some idea of the feeling that prevails throughout the country to-day in connection with one of our biggest businesses, a business that has never been discussed in this House. Now, the farmer goes upon the principle that the bawling calf gets the milk, while the motto of the merchant is to suffer in silence. If the merchant begins to cry about bad business, inside of twenty-four hours the banker jumps down upon him; if the banker does not catch him the wholesaler does, and if the wholesaler does not get after him and he keeps on talking about bad trade he is pretty soon confronted with the landlord. The moral is therefore that, however bad business may be, the merchant must always take the view that it might be worse. This was the advice given to me forty years ago by an old Scotch merchant. On asking me how business was at that time and hearing my reply that it was pretty bad, he said, "Tut, tut! Never say that. Always say, if business is bad, that it might be worse." And that has been my motto ever since; the merchant should always be optimistic whether he feels so or not.

I want now to show that there has been a certain falling off in relation to the Post Office Department. That department, whether it knows it or not, is contributing to the general decline in revenue. I have no intention of reflecting on the Postmaster General, the Hon. Senator Murphy, whom I regard as one of the best members of the cabinet to-day and who has been one of the most efficient administrators of the Post Office Department. But the facts I shall bring to the attention of the House are important. On September 5, 1925, the Post Office Department put into effect a radical change in the parcel post system of Canada by increasing the limit of weight carried by the post office from eleven to fifteen pounds. When this change was made the rates were fixed on the heavier parcels in proportion to the rates previously in effect on the lighter weights. For example, taking the case of a parcel mailed from a point in Ontario to a point in Quebec, we find that whereas the rate for five pounds was 38 cents, six pounds 45 cents, seven pounds 52 cents, eight pounds 59 cents, 9 pounds 66 cents, ten pounds 73 cents and eleven pounds 80 cents, under the new rates twelve pounds cost 87 cents, thirteen pounds cost 94 cents, fourteen pounds cost $1.01 and fifteen pounds cost $1.08.

This increase in weight was of great advantage to the chief users of parcel post, that is to say, the mail order house. On October 1 postmasters were notified of another important change which notification, however, was not given to the public until October 24, or just five days before the election. In this change great reductions were made in the rates and at the same time another fundamental change was made in our system. Instead of rates increasing from pound to pound, making fifteen different rates, according to weight, for any specific destination, the fifteen pounds were divided into five scales of three pounds each. What I want to point out particularly is that whereas, after the increase in the weight limit, to ship a twelve pound parcel from Ontario to Qubec cost 87 cents, under the new schedule the same parcel can be shipped for 65 cents. A thirteen pound parcel heretofore cost 94 cents and is now carried for 75; a fourteen pound parcel which cost $1.01 is now carried for 75 and a fifteen pound parcel which was carried for $1.08 is now carried also for 75 cents. In view of the fact that for the fiscal year ending March 31, 1925, the operation of the Post Office Department had shown a deficit of nearly $1,300,000, what justification was there for a large reduction in parcel post rates? In order to answer this question it might be well to inquire who was to benefit by lower parcel post rates. There is no doubt that among the chief beneficiaries will be those concerns which carry on a mail order business. It is an interesting fact, which may of course be only a coincidence, that practically at the same time as these low rates were going into effect the chief executive officers of the two largest mail order houses in Canada issued certain documents. I have in my hand copies of statements made twelve days before the election by Mr. R. Y. Eaton, president and general manager of the T. Eaton Company, and Mr. C. L. Burton, general manager of the Robert Simpson Company, Limited. Perhaps it was not the intention of those who issued these statements that they should be regarded as political documents. Nevertheless they were seized upon by Liberal newspapers from one end of Canada to the other and used to assist in the election of Liberal candidates. While, as I have pointed out, these gentlemen may not have intended such documents to serve the Liberal party, they had very good reason to make a thank-offering for benefits just received. These articles were published respectively in the Toronto Star of October 16, 1925, by the Eaton Company and in the same newspaper of October 14, 1925, by the Simpson Company.

I would point out that it is rather dangerous turning the mail order business into express transportation. It is injurious to the express companies in this country, and I refer here to the National Express. It is significant that in the United States, where the weight has been increased to something over fifty pounds, the average loss in the Post Office Department in the last five years has been $54,826,400 a year. This would show how important it is for governments to exercise care and caution in dealing with a matter of this kind. I have brought this matter before the government in order to see whether something cannot be done to get the Department of Trade and Commerce to function so that it may be of service to the 140,000 or 150,000 merchants throughout Canada, because I believe that when the people become aware of the fact that this class of our citizens have never up to the present time received any consideration, although they have always cheerfully paid the fifty-seven varieties of our taxes, they will be given a fair show. I hope the government will see its way clear to look into the question of retail distribution and give to the great mass of the retailers proper treatment.

Mr. A. J. ANDERSON (Toronto-High Park): In this, my first attempt to address the House, Mr. Speaker, I am constrained to ask your indulgence as well as that of hon. members while I endeavour to place my views before you. The debate has been rather protracted and our friends across the way have shown an inclination to charge us on this side with obstructing. This is the point to which I wish to address myself at the moment. We were brought here early in January after the government had had over two months at its disposal in which to put its house in order. The government assumed on and after October 29, although its ranks had been decimated, that it had the confidence of the people and of parliament, and had therefore the right to continue in office. Hon. gentlemen opposite called the House to meet on January 7 and, presuming to function, they presented to parliament an Address through His Excellency the Governor General. They knew nevertheless, as events since that time have shown, that there were doubts as to whether they could continue to administer the government, and from the outset they intended to take such a course as would in all probability necessitate their asking for an adjournment sooner or later. Early in September the previous parliament was dissolved and the government advanced reasons why it should appeal to the country. The election was fought on those reasons and in the province of Ontario there was no doubt about what the issue was. Protection was the one vital issue before the country. Our fiscal policy and subjects allied thereto were prominent in the various discussions, not only in the constituency which I represent, but in other ridings in the province of Ontario.

When we assembled here on the 8th of January we naturally expected to have presented to us a Speech from the Throne along the lines of the reasons given by the Prime Minister for the dissolution of parliament in September last. The government were not under the necessity in September, 1925, of going to the people at all. The life of that parliament had still over a year to run during which the government could have continued to function, but the Prime Minister said that he had very grave reasons for going to the country a year or a year and a half prior to the lapsing of the lifetime of the last parliament, and the reasons he then gave are rather interesting in view of what has happened since. He had carried on the government of this country for four years with the assistance of our friends to the left, and he stated very plainly in his election manifesto that on all large questions he had had a big majority and was able to carry on. Then where was his fear? Why did he not continue for the lifetime of that parliament? Where was the necessity for going to the country? The Prime Minister gave as his reason that he wished to be free from the necessity of depending upon our friends to the left, the Progressives, and upon the other groups in this House, that such a situation was irksome to him; he disliked it and wanted to get away from it; he felt he was under their domination, and he asked that the situation be cleared by a general election. It was certainly no compliment to those groups that had been supporting him for him to take that position. It was ungrateful in the extreme. It showed that he had no confidence in them. It also showed that he himself felt that he was not free to go on and legislate as vigorously as he would like. Apparently he wished to bring in certain legislation on which he was not likely to have the support of the Progressives and the other groups who had been giving him their support for four years. Otherwise, why did he wish to go to the people at all? He even mentioned the matters on which he wished to be free from that alliance and in regard to which he required the extra strength increased numbers would give to his own ranks.

Well, he went to the country, and he came back with reduced numbers. Still he felt that he had the mandate of the country to carry on, and the very first thing his supporters did when the House met was to present a resolution in which they asked the House to express confidence in the government—and when I say the government, I mean the Liberal party, and the government chosen from the Liberal party, and none other. I say that the presenting of that resolution was in itself an evidence of weakness. That motion not being pressed, for reasons that were given at the time, the debate on the Address then began and continued for some weeks. In regard to that debate the hon. member for Regina (Mr. Darke), who has I believe within the last two days tendered his resignation from this House, speaking on Friday night last said that he had been very much pleased with the character of the earlier part of that debate. I suppose it was to his liking because during the earlier stages of the debate the Liberals were taking part in it, but the hon. member was not so pleased with the latter stages of the debate because, I presume, the debate was then left to this side of the House. Whether it was that hon. gentlemen opposite could not debate, or did not want to debate, is a matter for them to

decide, but in any event the hon. member for Regina was not pleased. Up to two weeks ago the debate had been carried on alternately by the various parties in this House. I do not think anyone could be charged with obstruction there. I consider, Mr. Speaker, that not only has every member of this House a perfect right but it is his duty to express himself in regard to the matters dealt with in the Speech from the Throne, as well as matters that it does not touch on but which he thinks should be contained in it.

In the midst of that debate the Liberal party, through the cabinet and the government, admitted their weakness by asking for a six weeks' adjournment, and that, Mr. Speaker, is the real cause of any obstruction there may be in this House. I did not come here from Toronto for the purpose of adjourning after three weeks' debate. I made all my arrangements with a view to sitting here continuously till the business of parliament was finished, and when the motion for adjournment was placed before us I felt that a great injustice was done not only to myself but to many other hon. members who were similarly placed, and naturally the reasons given for that adjournment were closely looked into. For a considerable time no reasons at all were given why we should adjourn. Later on the hon. Minister of Justice (Mr. Lapointe) told us that the condition of the government was precarious, and that it was necessary to appeal to the country for the purpose of reconstructing the cabinet. I say, Mr. Speaker, that the formation of the cabinet is a matter for the Liberal party alone. The government is composed of members of the Liberal party alone, and only the Liberal party is consulted. The members of the cabinet are not chosen from the Progressives, Independents, Labour, or any other group in the House. Cabinet reconstruction is a matter purely political, and solely for the Liberal party to decide. Then why should we who are not consulted at all in the construction of the cabinet have to adjourn the House simply for their convenience? I submit that the adjournment was asked for merely for the purpose of enabling the Liberal party to strengthen their weakened ranks.

I do not know that it is any compliment, in fact, it is no compliment, to the 101 members who have been elected to this House on the Liberal side that the premier and his advisers in the cabinet did not see fit to reconstruct the government from among the members already elected. On the Liberal side there are 101 members who had gone through the general election and won their right to sit in this parliament, and surely if cabinet ministers had been chosen from among them they would have had no difficulty in going back to the people and being re-elected. I submit that it was only fair and right that the Prime Minister and his nearest advisers should have taken that course, and taken it as early as they could. They may say in reply: We could not open constituencies. But that has been done in the past, and members have sat in this House as a result of situations of that kind arising. It was open to the government to do it. They could have strengthened their ranks before the 7th of January. However, they did not see fit to do that. A vacancy did take place by death between the holding of the election and the summoning of parliament. A resignation has taken place since the opening of parliament, and the Prime Minister has been elected to a seat in this House.

Some hon. MEMBERS: Hear, hear.

Mr. ANDERSON (Toronto): My friends from Saskatchewan seem to be pleased about that. I do not begrudge them any satisfaction they may feel, because during the last six weeks I fancy they have felt very much at a loss for somebody to lead them, and that is no compliment to the Minister of Justice and other ministers who have been endeavouring to lead the party. Certainly hon. gentlemen opposite seemed to experience great relief when the news came from Prince Albert that their chief had been elected, and they are welcome to all the enjoyment they can get out of it.

I was saying, Mr. Speaker, that as it has been possible since the 7th of January to fill positions in the cabinet in the way they have been filled, why not follow that up with other resignations in order to elect ministers? As a matter of fact the Liberal party have come to that conclusion. The hon. member for Regina (Mr. Darke) spoke here on Friday night. To-day I understand his resignation is in the hands of the Speaker, the hon. gentleman having vacated his seat, according to the morning papers, to provide a place for Hon. Mr. Dunning. The holding of this by-election justifies the position that hon. members on this side took—that there should be no adjournment for the purpose of filling vacancies in the cabinet, that if the government were afraid of losing their majority in this House they could fill these vacancies one by one. But the government seemingly had no particular fear when they were sustained by a majority of three on the occasion of the first division. On the contrary they were so well satisfied with that small majority that they

considered themselves justified in holding on to the reins of office. Under the circumstances why do they not open up two or three more constituencies and proceed at once with the reconstruction of the cabinet? I can see no good reason why they should not do so. We on this side strongly take the ground that we are not responsible for any obstruction that may be occurring here. As I said before I can only speak on behalf of my own constituency, and in taking the stand I am taking I consider I am only performing the duties for which I was sent here. That is a perfectly legitimate position to take, and in assuming that position I do not for a moment consider I am guilty of obstruction.

What has been presented to this House except the Speech from the Throne? The Speech itself is a very meagre proposition. It is but a small meal composed of but one particular fare. Instead of giving us an entire meal the government have only given us a very limited portion. It is not the meal they intended to serve up when they went to the country in the first week in September, not by any means. In fact what the government have submitted to us does not appear to be part of the original meal which they contemplated at all. An entire change in their plans has been caused by the vote cast on October 29. As a result of that vote the Liberal party came back to this House with a membership of 101 instead of 116, and their friends to our left have come back with a membership of only 28, including the Independents and Labour representatives, instead of 66. That result changed the whole situation for the government. The Liberal party not the government—I am going to put it that way—assumed they had the right to hold on to the reins of office. They assumed that in doing so they would have the assistance of these other groups. I am not going to use the word "purchase" in this connection, Mr. Speaker, as that term has been ruled out; but in order to get the support they needed the government placed in the mouth of His Excellency the Governor General a Speech which would naturally appeal to the Progressives, the Independents and the Labour representatives, a speech promising to deal with subjects upon which they were determined to secure some legislation. The members of these groups have some hope of getting the legislation which they favour, which is going to be beneficial to themselves and themselves only, owing to the weakness of the government. Had the Liberal party been as strong in their own right as they wished to be when they caused parliament to be dissolved, the Speech from the Throne would not have been in the form in which it is to-day. It is in that form simply because of the weak state in which the government find themselves as the result of that election. But the government need not have limited themselves merely to indicating in the Speech from the Throne matters of legislation. They could have brought down the estimates, they could have nominated the standing committees and those committees might have been functioning; they could even have introduced bills for the House to consider. We are prepared to go on with the work of parliament; and speaking for myself, had the government, when the motion to adjourn was first introduced, said they were prepared to introduce legislative measures, or bring down the estimates, or work of any kind, I would gladly and willingly have helped them in every way I could. But I will not be a party to a motion to adjourn this House to March 15, or any other date, in order to help the Liberal party with their electioneering programme. My contention is that we were brought here to do business and we should do the business which the country needs instead of adjourning.

The question naturally arises, why did not the government bring down estimates or measures of some kind so that this House might get to work? To this question several answers can be given but I shall limit myself to one. They knew that without their leader, and in their weak condition, they were unable to bring down any constructive legislation for us to consider. That is the truth of the matter. I make that statement regardless as to whether it pleases or displeases hon. gentlemen opposite. They are inefficient, incapable, and afraid. And they are not certain that they are going to continue in office very long; for the moment they bring down legislation that does not meet with the approval of the other groups upon whom they depend for support, that moment they will be in the same position as they were on October 29. The government have been told very plainly by the hon. member for Labelle (Mr. Bourassa), by the Labour representatives, and also by the Progressives, that they will receive the support of these groups only so long as they bring down legislation of which they approve.

The Liberal party—and when I use that term I refer to the old party that used to boast of their strength and their brilliance in the days of Sir Wilfrid Laurier—are reduced to this humiliating position; they are going round with hat in hand to the various groups indicated and saying "Please help us out, we cannot do anything ourselves, we are inefficient". That is the position in which

they are placed before the country and I make no bones about expressing that opinion. The people of Canada ought to be made fully aware of the pitiable position in which the government stand. I hope the public press will be instrumental in spreading this news far and wide throughout Canada, so that the people will realize how the government are holding on to office without any right, setting aside all proper precedents and making their own precedents, too timorous to allow His Excellency the Governor General to commit them to any very definite undertakings. It is no answer for them, when taunted with the weakness of their position, to say that the right hon. leader of the Conservative party could not carry on any more successfully than they. He should be called upon to form a government, and in the event of his failure to obtain the confidence of the House he could appeal to the people who I am convinced would sustain him. Sooner or later it will come to that, and when that time arrives our Liberal friends will find they are in a minority. They may think that the Progressives are strongly with them. But the Progressives are as conscious as they are that the weakness on the Liberal side is going to be the downfall of that party and of the parties who are co-operating with them—and I hope it will be within a few months rather than a few years.

In reference to the reconstruction of the ministry, I am not very particular who is put into the cabinet; that is a matter for the Liberal party. If they have not men of ability among their 101 members who are capable of handling the departments, it is a reflection upon the electors of the respective ridings as to the character of the men they send here to do the business of the country. I do not know any reason why Mr. Marler, Mr. Massey, Mr. Dunning, Mr. McDougald or any other gentleman whose name has been mentioned in connection with the vacant portfolios should be brought in as departmental administrators and members of the cabinet. Mr. Marler was unable to carry his constituency in Montreal. He went down to defeat, as did three other protectionist Liberals. The name of Mr. McCrea was mentioned in the debate the other day. He ran in Sherbrooke, Quebec, and was defeated, as has been pointed out, largely because he was a protectionist Liberal. There is no particular mourning over his loss, and there is no particular desire to get him into parliament. There is a desire, however, to get Mr. Marler in, who, as I have pointed out, could not carry the constituency in Montreal which he represented for some considerable time. Mr. Massey never has been in this House. He is a man without a home; he cannot get a seat in Toronto or in fact in Ontario. Whether he will get a seat in Saskatchewan where the Prime Minister had to go is a matter for the government to decide; I cannot tell. He is a man without home or friends, yet he wants to get into the government and the government want to bring him in, believing he would be a source of strength to them. Why do they want Mr. Massey? Is it because he has very considerable means, or because he has administrative ability? If his administrative ability is to be taken into consideration, I do not know where it is. The institution which is the basis of the wealth that Mr. Massey and his family enjoy is one that was built up on the protective system in this country, and it is flourishing to-day because consideration was given it in certain fiscal changes that were made in such a way as to benefit that particular concern. In other words, that institution has been the subject of a certain degree of consideration and favour which has enabled it to function and to make a good showing. That opportunity has not been afforded to other manufacturers in Ontario or in Canada generally; and I do not know that there is any very great credit to be given to Mr. Massey. If it had been urged that the credit was due to Mr. Bradshaw, the general manager of that concern, I would have been inclined to agree, because he is a man of very considerable executive ability and should have got the credit. I am not particularly interested in getting Mr. Massey into the House.

Why do the government not open the constituency of North Waterloo, and let the present member for that riding appeal to the people with a view to his inclusion in the ministry? His name has been mentioned. Why do they not open West Middlesex for the gentleman who moved the Address in reply? These gentlemen are men of ability who could presumably go back to their constituencies and be re-elected without much difficulty. But probably not—and perhaps that is the fear; I do not know. Why should any other member resign? Why should the former member for Regina, Mr. Darke, resign in order to bring Mr. Dunning in? The hon. member for Regina felt the necessity of speaking to this House on Friday, because he would have fallen into oblivion if his name had not appeared in Hansard at least once. What will he get for it? I cannot say. Perhaps something will be said about his resignation being purchased, but as the Speaker has ruled against using the word "purchased" in that way I shall be careful to keep within the

rule. But the people of the Dominion are very apt to look at the matter in this way: what is there in it for Mr. Darke? Why was Mr. Darke not appointed Minister of Railways? The man who occupies the position of Minister of Railways enjoyed the confidence and good-will of the people of Canada generally. He was a very estimable man. We may differ from him on some political matters but everybody feels that the Right Hon. Mr. Graham was a credit to the House and to the country. He was one of whom everybody spoke well. But does he come within the category referred to by Lloyd George when he said, "When everybody speaks about a politician in a creditable way you must take it for granted that he is a back number?" I would be awfully sorry to think that that applied to the Right Hon. George P. Graham. I do not think it would at any rate. But the government are regarding him as a back number and treating him with ingratitude. If a safe seat could be obtained for him in Canada, he is the man who should have the position of Minister of Railways. Why does the government give the portfolio to the man who is at present Premier of Saskatchewan? I suppose the object is to reinforce the debating strength on the other side of the House, which is no compliment to those who are sitting at present on the other side of the chamber.

Reconstruction of the cabinet is a purely political matter, and I am not going to assist the government in any way in regard to it. I propose to stay here as long as it is possible to discuss public questions. I am not physically able to do very much debating myself, nor am I in a position to supply the necessary information to do it. But I will stay here as long as possible in order that the representatives of the people assembled in parliament will be forced to function in some way.

The Speech from the Throne is a meagre bill of fare. Far from being national in its character, it is purely sectional. It has been framed purely and simply with the object of appealing to the agrarian vote of the prairie provinces of Canada. When you read the Speech and follow up the discussion in this House on the Address you will be convinced more and more that the object is as stated so forcibly by the hon. member for South Oxford (Mr. Sutherland), in his forcible manner. The matters referred to in the Address are not objectionable in themselves; they are proper subjects of legislation, but it seems to me that a great many other matters which should properly be considered in parliament are not mentioned here. For that reason I say the Speech is not national but sectional and limited.

[Mr. A. J. Anderson.]

My conception of the Speech from the Throne is that it should foreshadow all the legislation the government intends to deal with, matters which the government feels are of prime importance to the country at large and which should be dealt with at the session of parliament in which the Speech is delivered. It is not necessary to mention the particular matters in detail, but the Speech from the Throne should foreshadow as matters of policy the things that should be attended to at this session of parliament. The Speech from the Throne which is now before us, however, is absolutely devoid of policy. A reading of the various paragraphs of that Speech should convince anyone that the government are at sea. They are unable to state what should be stated. They do not know what they want to do; and they are simply bidding for support.

The first clause of the Speech from the Throne gives expression to some platitudes, congratulating the House on the favourable character of the conditions prevailing in Canada. It talks about prosperity. I do not know all the elements that enter into prosperity, but as we pass along the streets to and from our places of business from day to day, certain conditions are apparent to us. The best evidence of prosperity, to my mind, is the distribution of the wealth of the country in such a way that all parts of the population feel the beneficial effects of it. At the present time it seems to me that prosperity is limited largely to those to whom the Speech from the Throne is addressed, namely the Progressives, the agrarians from the prairie provinces. These people may be enjoying prosperity as a result of the kindness of Providence during the last two or three years, although I will give them some credit by saying they are enjoying it probably also as a result of their attention to their own agricultural affairs.

In this discussion about prosperity something has been said as to the large amount of exports and imports and the great increase of trade that Canada has experienced in the last two or three years. Something has also been said about the considerable amount of money that has accumulated in the banks and the trust, mortgage, and insurance companies. That is an evidence of prosperity. It has also been said—quoted, I think almost unconsciously, from a statement credited to Sir Wilfrid Laurier—that if there is prosperity you will find it jingling in the pockets of the people. If that were carried to its logical extreme we would find very little jingling, because there is no jingling in the pockets of a great part

of our people, and that is the best evidence that prosperity is not with us. Unemployment is too prevalent to justify our saying that prosperity is here. I represent a constituency which depends absolutely upon industrial, manufacturing, railway and mercantile activities, and which has nothing to do with agriculture except to the extent that any other big city or urban centre has. The western part of the city of Toronto was first formed as a divisional point on the Canadian Pacific and the population there has largely developed as a result of that section being a railway centre. About seventy per cent of the 42,000 people in that section are dependent for their wages, salaries and income upon manual labour or clerical employment. The people in my riding are dissatisfied on account of the extent to which unemployment is rampant in that section of the city, and so long as that condition exists, so long as that jingling does not take place in the pockets of the people, just so long will prosperity not be there.

During the last election my constituents were placed in rather a peculiar position. My opponent was the former Minister of Labour, a representative of the Liberal party, who came before the constituents of High Park as not only the nominee of the Liberal party, but as a labour man, as one who rose from the ranks of labour. To his credit it may be said that he rose from the ranks of labour—from railway employment; indeed, from a very humble position—to probably the highest position the railway men have in their gift. Because of that he was given prominence in a political way and he expected to get the support of the labour people and the railway men in that constituency. He appealed to them on the fiscal policy that is supported by the Liberal party in this House; but what was the result? His policy was regarded as that of the Liberal party which had produced the condition of unemployment in High Park and which was producing so much distress and hardship, and he was very properly repudiated on the 29th day of October last. The policy that was presented by your humble servant was one of protection in order to safeguard the industries of the constituency and of the country and, in doing that, to protect the wages of those who depend upon employment for their livelihood. That position was sustained.

5 p.m.

I am quite in accord with my leader that protection, is the proper fiscal policy for this country. Established in 1878, it has gone on continuously. It may be it has not always been the most stable; it has been tinkered with; it has gone up and down, and this has created uncertainty in the minds of those who have capital to invest. The fact that the Liberal party are wavering and have wavered during the last four years in connection with the administration of the fiscal policy of Canada has brought business to the condition in which it is at present. I am not necessarily anxious to see the tariff made as high as some people say it should be, probably as high as it is in the United States. I do not care how high or low it is so long as it gives proper protection to the industries of our country. I want the protection to be sufficient to protect our industries, to protect not only our people who have money invested, but our people who want employment, so that everyone can feel the full benefit of it. Our friends on the left have frankly said that they do not consider it necessary that we should have high protection, or indeed any particular protection. The hon. member for Regina (Mr. Darke) the other night rather qualified that by saying that although he felt free trade was the proper policy for the west, he believed a protective policy was the proper thing for this country under present conditions. That was an admission which I did not expect to get from him, but he made it, and in that he is only frankly stating what I think is in the hearts of many in this House. I had a conversation with one of the members of the Progressive group and if he were free to express himself as he would like; if he were free from the conditions under which he is sitting in this House and the position in which he finds the three parties here, I believe he would seriously consider some scheme whereby protection would be given to industry not only in his own province but in the other provinces as well. There is no reason under the sun why in the prairie provinces, just as in every other part of the Dominion, the natural resources should not be protected in their fabrication into manufactured articles. I believe the agrarians will come to realize the necessity for that.

At the present time the chief natural resource of Alberta is grain; but it is not the only natural resource of Alberta, neither is it of Saskatchewan nor of Manitoba. Let me take the province of Alberta first. Its other great natural resources—coal, oil and gas—are all factors that enter into the production of power, and sooner or later that province will find it necessary for its own economic existence to make greater use of those particular resources than they are now doing. One of the chief natural resources that I have mentioned is coal—and incidentally I may remark that the Speech from the Throne is absolutely silent respecting any national fuel policy.

This is not only of interest to Alberta, it is also of interest to the other provinces, particularly Nova Scotia. Nova Scotia and Alberta have brought their complaints respecting the transportation rates on coal to the attention of this House. The province of Ontario has recently gone through a serious fuel shortage. Quebec has not said much about her fuel supply. But undoubtedly we should have a national fuel policy, for it is neither a transient nor a sectional question. In Alberta no doubt a very considerable amount of coal is not of merchantable quality, but if industry of the proper type and in sufficient volume were established there, a great deal of this non-commercial coal could be used economically to produce electric energy.

I think in the near future we shall find manufacturing industry established in Alberta on a large scale, and then it will come home to those who represent the people in this House and in the local legislature that they should give it greater attention. In Saskatchewan probably they are not as well provided with other natural resources besides coal, but this form of natural wealth could be developed there just as well as in the neighbouring province of Alberta. I believe that within the next twenty-five or thirty years Alberta and Saskatchewan will have such a greatly increased population that manufacturing industry will become quite as important as agriculture. This being so, it seems to me that we might as well begin now to foster manufacturing industry by protecting it against undue competition from United States and other foreign countries. For manufacturing industry cannot be built up in a day, it takes many years; its foundation is adequate protection. When Alberta is asking the rest of the Dominion for particular privileges and concessions by way of railway rates, lower tariff, and so on, it seems to me it is only fair that the people there should do something towards advancing the welfare of the other provinces. The province of Ontario is an industrial province. True, our agriculture is very highly developed and, unlike that of the prairie provinces, is not confined to grain growing; it is mixed farming, and it depends practically wholly on the home market for its success. The farm products of Ontario are almost as great in value as those of the western provinces. But rich as Ontario is in her agricultural resources, I believe its future depends not so much on the foreign market as on the home market, not only in respect of the products of the farm but of the factory. I believe it will develop more and more along the lines of the great republic to the south of us—industrially. This must be so in the very nature of things.

The Speech from the Throne says in general terms that there will be no increase in taxation so far as the tariff is concerned; but that does not necessarily mean very much. True, it is an indication to the Progressives that duties on the commodities they are chiefly interested in are not going to be raised. Of course it does not follow that there will be no variation of tariff duties in response to pressure brought to bear upon the government by its Progressive supporters. But I for one do not think that the Progressives have any great reason to look for much consideration along that line. We in Ontario frankly admit that we want an adequate tariff, and I see no reason why our fellow-Canadians in the western provinces should not consider our needs as well as their own. We in Ontario have been longer engaged in the task of nation-building than our brothers on the prairies. To-day they are represented in this House largely by agriculturists, and they have very frankly told us that they are ready to support anything that will build up this nation. That being so, they are concerned in something wider than the interests of agriculture alone, of buying everything as cheap as they can and selling their products as high as they can. We, in Ontario, are not so largely dependent on the foreign market as are the people of the western provinces. We rely mainly on our home market, and this is affected by the fiscal policy of the United States. In other words, we need protection for our agriculturists and our manufacturers from undue competition from the other side of the line. We have not yet been able to achieve mass production, and until our population has increased very considerably we cannot expect to manufacture on anything like the same scale as is possible in the United States. Therefore there is all the more reason why we should so shape our tariff policy as to adequately protect our manufacturing and other intersts from the undue competition of their rivals on the other side of the line. We adopted our national policy in 1878, and since that time agriculture has prospered, and its wonderful development under protection is a sound reason for continuing a protective policy and so shaping it that our manufacturing industry may be adequately protected from the competition that I have described.

I hold no brief for the manufacturers. I am not in the manufacturing line, being neither the owner of nor a shareholder in a

manufacturing establishment. Neither am I engaged in raising farm products. But I am interested in a population of which seventy per cent are dependent upon industry. Those people get their daily living as the result of a prosperous manufacturing industry, and if that industry is not on a solid basis, of course those people cannot carry on. They are the people amongst whom I do business, they are the people who pay my fees and give me a living. In other words, I am speaking rather from the standpoint of the labouring man, the wage-earner, the salaried man, than from the standpoint of any other class in the community.

Now, we find in the Address two matters particularly mentioned, both of especial interest to the west—rural credits and the Hudson Bay railway. Ontario is not clamouring for rural credits, and I am informed by representatives of Nova Scotia that there is no agitation in that province for such a system; nor have I heard any request from British Columbia or from Quebec. There has been no clamouring in New Brunswick, either. There is an agitation in the three prairie provinces for rural credits on the ground that they are not getting money as cheaply or as easily as they think they should. I would suggest that the representatives from those provinces consider for a moment what the people of Ontario and the older provinces had to go through in years gone by when they were pioneers; and the prairies are at present more or less in a pioneer state. They may think that they have gone beyond that stage in their development, but in my opinion they are still pioneers. Certainly their outskirts are still in the pioneer condition. I do not know that there is much difficulty in the most thickly populated districts of the prairies in the matter of securing credit, although I may be wrong in that regard. But so far as the rural districts in the prairies are concerned I should imagine that they are going through now the same stage which the earlier settlers in the province of Ontario had to experience. To-day there is no difficulty in Ontario because there is security to be offered for any credit asked. And security is the basis of all credit. Rural credit in Ontario is just as good as mercantile credit. Any farmer in Ontario who owns a farm and has any particular interest, any equity of redemption in the concern, and who owns any sort of farming equipment fully paid for, has no difficulty in getting all the money he requires either from loaning companies or from banks to enable him to carry on. And he gets it at rates that are perfectly legitimate and fair. The general rate of interest in Ontario to-day is lower than it has been for some time; for in the city of Toronto any amount of money can be obtained at from 6 to 6½ per cent. Not long ago it ran to between 7 and 7½ per cent on first-class realty securities, but now the rate is as I have stated. To-day all our financial institutions are in possession of very large amounts of money uninvested and are seeking for opportunities of investment; and the moment the western provinces attain the position of being able to offer security for the loans they ask they will not encounter any particular difficulty in obtaining the money they require.

Mr. CAMPBELL: There is little difficulty in securing money in the prairies; the difficulty is in the rate of interest.

Mr. ANDERSON (Toronto): Well, the rate of interest depends on the security offered. In Ontario, if you go to a loan house, a mortgage company, a bank or a private individual and present security that has in it, not the elements of true security but something that involves a risk, then the institution or the individual will say, "I will take your risk, but I want a certain rate of interest." If, however, you can offer substantial security there will be no difficulty in getting a reasonable rate of interest. I do not know what the government has in mind or what our friends from the west propose in regard to the rural credit system which it is intended to bring into force, but I notice according to a statement in the Toronto Globe—and I am not saying that the Globe speaks for the government—that the federal act will provide that loans made under the new system shall rank second only to taxes as a charge against property. No doubt the newspaper in making that statement had some idea of what the government proposes to do. The rural credit scheme which is proposed is apparently some form of loaning by the federal government to the provinces or to those people in the provinces who desire to borrow money. So far as I am concerned I am going to hesitate long before giving my consent to any proposition by which the government will enter into the lending of money, whether it be to rural or to urban inhabitants. That is not one of the functions of government.

Mr. CAMPBELL: Let me point out to the hon. member that the group in this section of the House have never asked the government to advance money directly to the farmers. Indeed, we are opposed to that principle. We are merely asking that the

government provide the necessary legislation to allow us to pool our own securities and thereby secure better rates.

Mr. ANDERSON (Toronto): I am glad to have that statement from the hon. member. If the proposal is merely to pass legislation to provide for the formation of something in the nature of a land bank or some system by means of which securities may be pooled, as the hon. member suggests, then I am prepared to give such a proposal fair and honest consideration, the security being always understood.

Mr. McGIBBON: That is not in the Speech from the Throne.

Mr. ANDERSON (Toronto): The hon. member says that that is not in the Speech from the Throne. True; and it is for that reason that I have criticized the proposal. But the member for Mackenzie (Mr. Campbell) has made a suggestion to which I am not averse. I am prepared to give that proposal fair and reasonable consideration. As a result of my investigation into rural credits elsewhere I do not think that the system of government loans to individuals would be satisfactory. The federal government in the United States had a system some time ago of giving assistance directly to the farming community for the purpose of establishing rural credits and it was found to operate unsatisfactorily. To-day the system in vogue there is the operation of land banks, and that is rather along the lines of the suggestion put forward by the hon. member for Mackenzie. In the United States the banking system is different from ours; ours is the branch system, and theirs the unit system. The farmers and others who wanted credit from these small unit banks found it difficult to get the money they required, and it was proposed by those interested that the banks should form an association, each one taking a certain amount of stock and probably the government securing a block of stock also. The association would be practically the same as a company in this country, and it would extend loans to the farmers, taking security from them on their property, the company issuing bonds and selling them in the open market and getting cash in that way together with such money as they might already have on hand. Under this system they could make loans to the farmers at reasonable rates. But everything has not been well with the system and in the United States the experience has been unsatisfactory. I have a statement made by the manager of the National Trust Company of Toronto in his address to his shareholders at the last annual meeting, when he took the view that in this country if the trust companies, the mortgage companies, the banks and the money lenders were given the same status as that indicated in the statement I have quoted from the Globe, namely, that the securities would be a first charge immediately after taxes, then there would be no difficulty in people obtaining loans. In the course of his remarks he says:

> When in 1916 rural credits were heralded by the farming community of the United States, especially that of the west where the agitation for them was most pronounced, they were expected to prove a panacea for all ills. "Dear money" was said to be the cause of all ills, while "cheap money" was to be the cure-all. In less than ten years the farm loan boards of the United States have put out one and a half billions of dollars in mortgage credits—true, at lower rates of interest. Yet, notwithstanding this the farmers in the middle states of the United States are to-day again greatly discontented with their conditions. "Cheap money" has not been a panacea, and they are now calling upon the United States government for relief in some new form. It has been said on more than one occasion that so far as the extension of credit is concerned, the farmers of this continent have not suffered from the want of credit, but rather from the over-extension of credit.

That seems to be the trouble. I cannot get away from the idea that if in the west the lender had the same security and the same means of enforcing payment as he has in Ontario, the western farmer would not find it difficult to get the funds he wants at the price he wants. However, it is a matter I am not averse to consider if the proposal brought down is along the lines of the land banks of the United States.

Denmark is often quoted as a country where low priced money can be obtained by the farming community and the people generally. The position of Denmark is also discussed by the president of the National Trust Company, who very concisely says:

> In the Supplementary Report, dated the 30th of March last, the following appears:
>
> "In all countries of western Europe, capital is obtainable (for agricultural purposes) at a rate not exceeding 5 per cent, and current money at similar rates."
>
> This is not in accordance with the information I have received from western Europe. The two countries of Europe in which money on mortgage can be obtained most cheaply are Denmark and Holland. In Denmark, where money is somewhat cheaper than in Holland, the borrowing is mainly done through Danish credit associations. Extended reference to these associations is made in the reports. A borrower on becoming a member of these associations pays an initial charge of 1½ per cent. He then gives a mortgage to the association at 5 per cent interest. The association, however, does not pay him the amount of his mortgage in cash, but as the report points out, pays him in bonds of the association. These bonds are now issued to bear 4½ per cent interest, although when money was cheaper the bonds were issued at lower rates. The borrower has to sell his 4½ per cent bonds

in the open market. They naturally fluctuate in price like any other security. I have before me a cable advising that the bonds were quoted in Denmark on January 21st, at from 85 to 87 cents on the dollar. It would therefore appear that a borrower in Denmark who in the third week of last month borrowed $1,000 on mortgage upon which he agreed to pay 5 per cent interest received, not $1,000 in cash, but $1,000 in 4½ per cent bonds, for which he realized from $850 to $870 only in cash. This you will see is a substantial discount which the borrower has to suffer and absorb over the period of his loan. I might point out that last summer the 4½ per cent bonds of the Danish credit associations were selling at from 78 to 80 cents on the dollar, so that the borrower who had to sell his bonds then suffered a still greater loss in discount. I would also point out that the borrower has the right to redeem his mortgage debt in bonds. But here again the price he has to pay for them depends upon the market prices at the time he buys. In view of the facts I have given, it woulld seem obvious that the borrowings of the Danish borrower are costing him more to-day than 5 per cent.

If we are going to establish a rural credit scheme we shall have to be very careful to avoid getting into the rut the Americans and Danes have got into. We want to get away from the unfortunate position in which Manitoba, Saskatchewan and Ontario have found themselves, in trying to provide the farming community with cheaper money. As to the province of Manitoba, the Ontario Loan and Debenture Company, in its annual report dated February 10, 1926, states that the Premier of Manitoba estimates that of $3,000,000 advanced by that province, the loss already sustained is twenty-five per cent of the total, which loss will have to be paid by the people of Manitoba in additional taxes. It goes on:

The cry is still more credit. Those claiming rural credits are moving their base of operations from the province to the Dominion. The trouble in the west has been too much credit on the security available.

Apparently they think that the further they move from the present scene of operations the better they will fare. I am willing to put it on the one and only safe ground, the ground of security. I think it is up to the prairie provinces to see that the laws in those provinces are put in such shape that the man who lends on first mortgage will know he is getting a security where only the municipal taxes are ahead of him, just as it is in Ontario. Until that is done I do not think you can expect anything better. It is up to the people of the west to go to their own provincial legislatures and see that the laws of those privinces, if they are not in such shape already, are put in such shape that the lender will be properly secured and can enforce payment if he has to.

I believe that Saskatchewan has also had some losses. In Ontario I do not know that the losses have yet come to view, but it is perfectly apparent to those who have had anything to do with this form of lending that political influence is very apt to creep in. When a borrower wants a loan he naturally goes to someone who seems to have influence with the party in power, thinking that the party will use its influence with the board that has to do with the lending of this money, and in that way loans are advanced which should not be advanced, and greater advances are sometimes made than should be made upon the security offered. When the government brings down its legislation on this matter I am prepared to give it reasonable consideration, but if it is in the shape of a loan to the farmers along the lines I have mentioned, I hold myself free to oppose it. The Speech from the Throne does not give us to understand exactly what the form of the legislation will be, but it rather gives one the impression that it will be in the nature of a loan rather than of legislation creating land banks or some other organization to give credit.

Now a word as to the Hudson Bay railway. I have no doubt this is a question of very great moment to the representatives from Manitoba and Saskatchewan. It does not appear to be of such great moment to the representatives from Alberta, if I understand their position correctly; nevertheless they are sympathetic to the proposal because they feel that that part of the country is going to benefit as a result of the construction of the Hudson Bay railway. I am prepared to stand behind the leader of the Conservative party in the position he has taken on this question, although I do not think that position is one which appeals too strongly to the people of Ontario. The people of Ontario are strongly of the view that the railway is not going to be efficient, that it will not do what is expected of it. It is regarded in Ontario as doomed to failure, that it will not bring about the splendid results the western provinces claim for it. The people of our province share the views of a prominent citizen of the province of Alberta, Dr. McGibbon, professor of political economy at the University of Alberta, who very recently was asked to address a convention of the Agricultural Society of Saskatchewan. In that address he discussed the Hudson Bay railway, and expressed disbelief in the commercial feasibility of that route. I quote the opinion offered by him:

His contention is that there would be a short open season, coming at a time when export trade was slack; that this would make the overhead charges unduly

heavy for maintaining such a route, that only vessels of 17-foot draft would use the port and insurance rates would be too high.

That is the opinion expressed by a professor of political economy after making a complete study of the subject. He is a western man, and I place his opinion against that of Captain Bernier the authority quoted the other night by the hon. member for Regina. Personally I am inclined to accept the view of Dr. McGibbon, unless it can be shown reasonably clearly in this discussion—

Mr. HOWDEN: Do you think the opinion of Dr. McGibbon should be placed alongside that of a man like Captain Bernier, who has spent half his life in the far north?

Mr. ANDERSON (Toronto): Yes, I do, for this reason: Dr. McGibbon is a professor of political economy. His duty is to study the economic questions which affect this country, and he has been studying them from the standpoint of Alberta. On the other hand Captain Bernier is an explorer. He goes through those northern waters in a vessel suitable for making exploration, not in a commerical vessel adapted for the carriage of grain to the markets of Europe.

Mr. BROWN: Where would Dr. McGibbon get his information on this subject?

Mr. ANDERSON (Toronto): I have no doubt he had before him the very evidence that Captain Bernier has given with respect to this matter. However, Dr. McGibbon, as a professor of political economy, would arrive at his conclusions after due consideration of every report he could possibly get. He would not form his opinion from any shallow investigation, but after a proper consideration of every particular feature that might have been presented to him in regard to the subject. I would far rather accept the opinion of a man who had made such a thorough study of the question than the opinion of Captain Bernier.

Mr. HOWDEN: May I ask the hon. gentleman another question?

Mr. ANDERSON (Toronto): Yes, but speak out so that I can hear you.

Mr. HOWDEN: Does the hon. gentleman know that the Hudson's Bay Company for the last one hundred odd years have imported the goods they needed into Canada by that route, and exported their bundles of furs in the same way, in preference to the more southerly route?

Mr. ANDERSON (Toronto): I do not know anything about Dr. McGibbon further than that he is reported to have made, before a convention of the agricultural societies of Saskatchewan, the statement I quoted. He was invited to address that convention, and the gentlemen responsible for extending the invitation to him must have had some respect for his ability and his judgment or they would not have asked him to address them on the subject. I accept what Dr. McGibbon said, and the fact that he is professor of political economy in one of our foremost Canadian universities gives me ground for believing his report and relying upon it.

Mr. HOWDEN: I was not talking about Dr. McGibbon but about the Hudson's Bay Company.

Mr. ANDERSON (Toronto): There is the trouble. I have some difficulty in hearing in this House, and if I have not answered the hon. gentleman's question directly it is because I did not catch its exact terms.

Mr. BROWN: If the hon. gentleman is relying so much upon the opinion of a professor of political economy let me say to him that most authorities on that subject are in favour of free trade.

Mr. ANDERSON (Toronto): Are they? That may be, but this opinion by Dr. McGibbon is dead against the Hudson bay proposition.

Mr. McLEAN (Melfort): Would the hon. member rather entrust his life and property, if he had to go on such a trip, to Captain Bernier or to Professor McGibbon?

Mr. ANDERSON (Toronto): I would trust my life rather to the man who arrived at his judgment, as Professor McGibbon did, after a profound study of the subject. Professor McGibbon studied not simply the reports of one man, but all the reports he could collect and he has given us his well-considered opinion. Captain Bernier is an explorer, and is prepared, like any other adventurer, to take a chance—the chance I would not take. Professor McGibbon is not taking chances, and I, as a citizen of Canada, am not going to take any chances. I do not want to disparage Captain Bernier; he is doubtless a Canadian of whom we ought to be proud, but he is an explorer and as such would take a risk that you and I would not take. I do not doubt that hon. gentlemen opposite or hon. members to my left would not feel like going to the Arctic ocean and running the risks that Captain Bernier has run, personally I am comfortable enough here. I would rather rely on the studied judgment of a professor

of political economy in the province of Alberta than I would on Captain Bernier.

So far as the Hudson Bay railway is concerned, a certain amount of money has already been spent on the line, and the people of the western provinces want the project extended to the bay. I am prepared to meet their wishes to the extent of building the road to the bay rather as an experiment, because we have already spent something like $22,000,000 on the work. My idea is that if we were justified, even to only a small degree, in spending $22,000,000, we will be justified in making a further expenditure of three, four, five or even six millions to extend the line to the bay and find out whether or not the project is any good. But the moment the enterprise is shown to be not feasible or not practicable I shall hold the Liberal party and the Progressives accountable for the advice they have given this parliament in its favour. So much for that. Now the next—

Mr. WARD: Will the hon. member not give some credit to the party to which he belongs for the sum of approximately $20,000,000 already expended?

Mr. ANDERSON (Toronto): The hon. gentleman must understand that a contract was entered into by the Liberal party before 1911 for the building of this line, and the Conservative party were honest enough to try to carry out that contract. They did not believe, like the German kaiser, in regarding contracts as scraps of paper. The action they took was an honest endeavour to carry out the contract into which their predecessors had entered. In any event the Liberals have been in power for the last four years, and why have they not carried out the work?

Mr. WARD: Why was the work on the Hudson Bay railway stopped in 1918?

Mr. ANDERSON (Toronto): The hon. member probably knows that better than I do; I do not know the reason. If the Hudson Bay railway was a justifiable work for the Liberal party to undertake in 1910; if it was a proper work for the Conservative government to carry on until 1918—I suppose the war had something to do with the suspension of the work at that time—why have not the present government made themselves responsible for its continuance and the necessary expenditure of money it involves?

Mr. BROWN: But does not my hon. friend think the Conservative members from Manitoba are entitled to credit or to blame, as the case may be?

Mr. ANDERSON (Toronto): I think the province of Manitoba is capable of looking after itself. All I would ask is that that province give us the same consideration as we are prepared to give them, for instance, in the matter of reasonable tariff protection. If they do that we in Ontario are prepared to do what is right and proper for Manitoba, and by so co-operating each will do its part in building up a united Canada.

Mr. BROWN: But what about the Conservative members for Manitoba?

Mr. ANDERSON (Toronto): Let them speak for themselves. I am here representing the constituency of Toronto-High Park, and it is for the people of that riding that I am speaking here.

In reference to immigration, the Speech from the Throne points out that some arrangments have been made by which assistance is to be given to agricultural and other immigrants coming from the old country to Canada. We are not only to assist their passage to Canada, but after we get them here we will assist them to establish themselves. That may sound all right, but so long as we have unemployment in our country and so long as our own people are going to the United States to obtain employment, I am opposed to such a contract or agreement in regard to immigration. If that agreement had been preceded by some arrangement by which the unemployed in our own country could be assisted and those who have gone to the United States in the last three or four years brought back and put upon the land under the conditions that it is proposed to apply to the British immigrant, then I would be prepared to support it. But as it stands I am opposed to it; I see no reason why we should give a preference to British or foreign immigrants as against the people of our own country. We are suffering from lack of population, yet our actual resident population is going down by emigration as rapidly as we add to it by immigration. The returns show that the number we have brought in has been practically equalled by the number who have left. Our population remains stationary. It is no use spending money to bring people here while our own people are leaving; we may just as well spend our money to keep our own people here.

The best form of immigration is the bringing back of those who have been forced to leave our shores, and the next best is the immigration that we get from the cradle. This is a phase of the question of population

that should be carefully attended to; and the members of the medical profession will appreciate that better than I can. When we think of the number of people who are going to the States to find employment, spending their money and their time in the building up of American industries, by investment of capital and otherwise, instead of building up the industries of Canada, we must realize that we are working on a wrong basis. We should begin our work in this connection at home; we should foster our own people, give them assistance and keep them here.

It may be said the Dominion government has no land upon which to put the immigrants; that the lands are largely in the hands of the provinces. The Dominion must have some land, otherwise their immigration scheme is no good. Where do they hope to put the immigrants? Surely they expect to place them on the lands in the western provinces which are still in their hands. The government are giving to Alberta the control of the lands which they now hold in that province, so they will have no land there for settlement. They may have some in Saskatchewan and Manitoba, but I have no doubt Saskatchewan will make a demand upon the Dominion government for the return to that province of its natural resources. Saskatchewan and Manitoba have just as much justification for such a demand as Alberta. After these lands are handed over the Dominion government will have no means of carrying out the immigration scheme. It will be for the provinces to join in this matter; and it seems to me there should be co-operation between the Dominion and the provinces in order that we may retain our population, and work out our own destiny. We should not allow these people to go to other countries. It would be better to put the money into the pockets of the people of our country and let them maintain their families here, than to permit them to cross the line.

In reference to the cradle immigration which I mentioned, I will read from an address given by Mr. Justice Riddell of the Court of Appeal of the province of Ontario. This paper gives the result of an investigation. Mr. Justice Riddell says:

> But the best immigration and the immigration that Canada must in the long run rely upon is immigration by the cradle, and surely that immigration demands and should receive as much care and attention as immigration by the steamship. What would the Canadian people say if one out of every ten immigrants died within a year of their arrival? And yet that is well within the percentage of deaths within one year of their birth of our Canadian baby immigrants. One out of forty dies at birth, 10,000 within a week and 5,000 more within the year.

[Mr. A. J. Anderson.]

And here is the unfortunate part of it.

> Nor does the mother escape; one out of every twenty births means a dead mother. Proper care would reduce the appalling number of 370 dead mothers in Ontario in 1922 by more than three-fourths.

That statement is applicable to, and the percentage would be equalled in, the other provinces of the Dominion.

Mr. GARLAND (Bow River): My hon. friend has expressed great interest in immigration by the cradle. Would he, in order to assist such immigration, be willing to support a policy of mothers' pensions?

Mr. PRESTON: What has that to do with it?

Mr. ANDERSON (Toronto): That might be a solution, but that money should be first spent upon the people in this country, in order to retain them here, no matter whether they are babes or adults. Any scheme that will lessen the death rate amongst children is a proper one on which to spend money. Any proposition that will save the lives of the children and the mothers is more important to this country than bringing in hundreds of thousands of British immigrants, paying their way and supporting them for a while, which is the policy the Liberal government is offering to the Progressive party and my own party. They are asking us to support such a policy, yet they will not do anything to support or retain the people who are here.

Mr. CAMPBELL: Has the Progressive party ever asked for that policy of immigration?

Mr. ANDERSON (Toronto): I do not know. If the hon. member does not, he should.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. ANDERSON (Toronto): Mr. Speaker, this afternoon I referred to the question of unemployment as it affects Ontario generally and my constituency in particular. Sir Thomas White, who delivered an address recently before the Canadian Club in Montreal, had evidently collected some information respecting unemployment in Canada and I think it is rather useful as it demonstrates that although there is not a great percentage increase in unemployment, yet in many branches of industry the percentage of unemployment is high. He stated that the trade union returns in September, 1925, showed a percent-

age of unemployment of 5.7. That would not necessarily indicate a great amount of unemployment. It would mean a very considerable amount if the unemployment happened to be grouped in any particular place or places, but if scattered over the whole Dominion, the amount of unemployment would not seem to be very great. When we come to consider specific industries, we find that in many of them the percentage of unemployment is high. The percentages in certain industries are as follows:

Industry	Percentage
Unions in manufacturing industry, grouped	11
Garment workers..	34
Building and construction..	10
Non-ferrous metal, group..	25
Textile and carpet workers..	25
Mining..	6

These various groups show a heavy percentage of unemployment and that unemployment will be more or less accentuated in urban centres. The city of Toronto, being the largest urban centre in Ontario, necessarily has a great deal of unemployment and we are suffering because of that. The unemployment situation in Toronto and generally throughout the province is such that it accounts for much of the migration of our people to the United States. Many of them may not be fitted by experience or knowledge for agricultural work, and I doubt very much whether the government is going to succeed in its aim in trying to bring agricultural immigrants from Great Britain. As I understand the matter, Great Britain is an industrial country; agriculturally, it holds a low position. Agriculture in Great Britain is at a low ebb, and that is one of the reasons that has impelled Lloyd George to put forward his land policy in an effort to solve the problem of unemployment. Whether he will succeed or not does not affect my argument. He sees the necessity of stimulating agricultural activity by putting into use land now held as private parks and for other unproductive purposes. This means no surplus of agriculturists in Great Britain, and therefore we are not likely to get many immigrants of that class, for naturally those who are already well established at home are not likely to wish to come here, especially when they read the press and find that a large number of our people are going to the United States for lack of employment here, and that Old Country immigrants have failed in the northwest to get any but seasonal employment extending over three or four months. Moreover, they know that Canada makes no provision for her unemployed—they will not find the dole system in operation here. In view of these conditions in Great Britain it appears to me that the government will fail to induce any of the farming class to settle in Canada. The only immigrants we are likely to receive are the unemployed of the cities and towns of the Old Country. They certainly cannot be numbered among the agricultural class, and I doubt if they are of as good quality as our own unemployed. Rather than spend money to bring such people here why not utilize it to assist our own people? The latest figures of our expenditure on immigration that I have been able to secure are for 1924. In that year we spent $2,417,374, in return for which we received 148,560 immigrants. We lost practically as many of our population by emigration to the United States in that same year. Instead of this negative result, I think it would be much better if we put our business on such a footing that the prosperous condition of the country would not only attract newcomers but would help to retain our own people; and, besides, would cause many of our expatriated Canadians in the United States to return home to share the benefits of steady and remunerative employment.

My hon. friends to my left have suggested that by strengthening agriculture we shall be able to cure all our troubles, both economic and political. I do not think so. Since 1878 agriculture has developed rapidly along sound lines, and in recent years it has expanded even more rapidly owing to the excellent wheat crops of the three prairie provinces. And agriculture has also prospered in the other provinces. In other words, the protection of our manufacturing industries has not hurt agriculture; on the contrary, it has benefited it. As I said in an earlier part of my remarks, protection is absolutely necessary for the greater part of Canada, and consequently we should not hesitate to stabilize our protective policy. In this connection it is interesting to note that of the 148,560 immigrants who came into Canada in 1924, 65,280 settled in Ontario; 7,940 in the Maritimes; 19,979 in Quebec; 21,451 in Manitoba; 13,200 in Saskatchewan; 10,430 in Alberta; and 10,280 in British Columbia and Yukon. The three prairie provinces absorbed 43,081 immigrants or 30 per cent, whereas old Ontario took 65,280, or 43 per cent. It is interesting to analyse the figures a little further. Of that total number of immigrants, men, women and children of the farmer class numbered 56,308. So Ontario took a greater proportion of the total than comprised this class. General labourers numbered 18,337; mechanics, 22,319; clerks, 8,327; miners, 3,372; domestics, 13,865; miscellaneous 26,032. What accounts for Ontario attracting a larger share of these immigrants

than any of the other provinces? Simply because it is ahead of the rest of the Dominion, both agriculturally and industrially. This desirable condition of affairs might just as easily be extended over the whole Dominion.

This brings me to the position of the prairie provinces, and I am going to take Saskatchewan as an example, for it has made greater progress agriculturally in the last few years than the other two wheat-growing provinces. In 1925 the field crops of Saskatchewan exceeded the value of those of 1924 by 53 per cent; that is, the purchasing power of the people of Saskatchewan was increased by that percentage. The crop value exceeded even the high water mark of 1919, when high prices prevailed—in 1925 Saskatchewan received for its field crops $363,837,000. At that time its population was 757,510. To-day, allowing for natural increase, it is probably about 800,000. At any rate, putting it at 800,000, that crop return of 1925 represents $454 to every person in Saskatchewan or, to a family of five, $2,000 in purchasing power. Now the question naturally arises, where has that purchasing power been in evidence in the Dominion? It has not shown itself in the province of Ontario and I doubt whether there has been any evidence of it in Quebec. Certainly the Maritime provinces have not benefited by it, if I follow the statements made by the representatives from that part of the country, and the people of British Columbia declare that they have seen nothing of it in that province. Obviously it must have been expended in the prairie provinces. If the prairie provinces, then, have had the benefit of the prosperity resulting from that purchasing power, if it has been confined exclusively to that section of the Dominion, the people there must be in a position to buy more readily than they could before.

The next question therefore is, where are they buying? It is interesting to note that we imported in 1925, of manufactured goods of which we have knowledge, goods coming in through official channels and not in any underground way—and I hope that in this regard the investigation now in progress will reveal something sooner or later—a total of $520,000,000 worth. I have been wondering to what extent the crop return of Saskatchewan is represented in that import value. I have not the figures here, but I am rather inclined to think that a fair percentage of that purchasing power to which I have referred has gone into the buying of goods which have come into Canada, and which are represented by that total I have just given. At any rate, this inference is consistent with the view put forward by the representatives of the prairies, that they are entitled to buy in the cheapest market and are therefore on that principle opposed to any protection being given to the manufacturers of eastern Canada. This, I think, is not an unfair inference, and it is a logical conclusion therefrom that the large proportion of the purchasing power from the crop return of the province of Saskatchewan has gone into the purchase of manufactured goods coming in from the other side.

Mr. MILLAR: Is not the hon. member taking the gross receipts and representing them as purchasing power?

Mr. ANDERSON (Toronto): I am making a general statement. Saskatchewan and the other two provinces have shown splendid crop returns, and whether the money thus acquired is distributed locally or in the world's market it represents so much purchasing power to the western farmer. The crop is worth a certain amount of money and the farmer consumes very little of it, so that what is not used locally is naturally sold abroad. My contention is that this purchasing power should be reflected not merely at home among the farmers and their immediate friends but throughout the Dominion, through the ordinary business channels.

Mr. MILLAR: But a great deal of it goes in expenses.

Mr. ANDERSON (Toronto): And that is true of all production. But even assuming that a part of that $363,000,000 goes in expenses, it is not all consumed in that way. If it all went in expenses then I would declare that farming was a farce and a failure and did not deserve the encouragement hon. gentlemen ask for it. But I do not agree with that view. I say that farming should be productive, and as a matter of fact it is productive and is adding to the wealth of the country. Now, I do not care how you use that purchasing power, but I do think its effect should be felt not only among the farmers of the west themselves but throughout the country.

An hon. MEMBER: How much of a country would you have if there were no farming?

Some hon. MEMBERS: Oh, oh!

Mr. ANDERSON (Toronto): I did not hear the question, but as it is received with ridicule on this side I will not stop to answer it. Now, I repeat, that purchasing power has not been reflected in Ontario, and I say that

if the agriculturists of the west ask concessions of us, concessions which are not necessarily unreasonable in themselves but which entail a certain obligation in return, and if they are anxious to have us grant those concessions, then they should be as ready to concede to us something for the benefit of our industries in Ontario and in other parts of the Dominion. They should be prepared to concede protection to our industries against the unfair competition that comes from the other side, which, as everyone knows, is quite considerable.

On looking into figures obtained from the Bureau of Statistics, I find that in 1922 the amount of capital invested in Canadian manufacturing industries—for which, as I have before said, I have no brief, being however very much concerned for the men who are dependent upon those industries—totalled $3,125,773,000. Of that sum the proportion invested in industries in Ontario was 52.6 per cent and in the province of Quebec 29.8. So that these two provinces represent 81 per cent of the total capital invested in Canadian manufactures. That being so, are they not deserving of very great consideration from other parts of the Dominion, especially in view of the fact that the agricultural portions of Canada are coming to parliament and demanding concessions which, though not necessarily unreasonable, should be granted only so long as the people who ask for them are ready to give something in return? Those people cannot expect to get what they want without giving a quid pro quo to those who shoulder the burden of taxation in this country. The Canadian manufacturing industry pays the taxes of the country, and not agriculture. It has been said, by some who seem to know what they are talking about, that of the taxation in Canada the three prairie provinces bear about three per cent, leaving aside income tax; and if you take the income tax into consideration then they bear less than one per cent of our taxation. I am not sure that these figures are correct, but they have been quoted authoritatively.

Mr. SPENCER: Does not the hon. member realize that the farmer pays a very large amount of taxation indirectly?

Mr. ANDERSON (Toronto): Yes, so do we. My constituents are all labouring men who have to buy clothes and boots and shoes the same as my hon. friend, and they must also procure for themselves food and other necessaries. They, on the other hand, have no big crop returns. Let the agriculturists compare themselves with the workingmen of the city of Toronto, from which I come, and see what a contrast there is. The workingman in the city cannot raise a particle of food for himself; he does not grow any vegetables, nor does he produce any meat or flour. All these things the city people must pay for, and where will they get the money to pay for them? They are dependent absolutely on industry, and that industry must be protected.

Now who are the competitors of our manufacturers? They are the manufacturers in the United States and elsewhere, and though we should naturally expect the farmers of the west to purchase from our own manufacturers, they unfortunately do not do so. They are purchasing from our competitors. Their money is going to a large extent to the United States to build up industry there in competition against our own manufacturers. We object to that; we say that the farmers of the west should help us if they want us to help them.

Mr. EVANS: Does the hon. member imply that we are evading the tax collector? Or does he suggest that our industry is so impoverished that we cannot pay more than one per cent of the taxation?

Mr. ANDERSON (Toronto). The hon. member has asked me a very civil question, and I shall try to give him a civil answer. He may not cheat the collector, but I must tell him right now that there are too many in all classes in this country who are cheating the collector, and from the fact that the farmer does not pay income tax and other taxes to this Dominion it is a fair inference that he is not bearing his proper share of the taxation of the country as compared with those who are dependent on industry.

Mr. EVANS: The hon. member infers that that is something peculiar to the agriculturist alone?

Mr. ANDERSON (Toronto): I can only give the general impression that is abroad, and it is quite current throughout the industrial part of Canada that that is so. What we say is that agriculture in this country should bear a larger share of taxation. If agriculture, after all the assistance it has received, is not profitable, what excuse is there for you to come to us and ask us to give further assistance? The agriculturists have received great assistance already.

Mr. FORKE: Whom do you mean by "us"?

Mr. ANDERSON (Toronto): The rest of Canada. I am just as heartily in favour of building up Canada as the agrarians are, and

I want them to work with me, not against me. I think they should consent to industry receiving the protection that is necessary in order to give employment to our workmen, to protect our wage bills, and keep up our standard of living.

I have a few figures here as to the capital invested in industry in the various provinces. In Prince Edward Island, which is a very beautiful agricultural country, but which does not claim any particular progress in manufacturing, we find invested in manufacturing only one per cent of the total capital invested in manufacturing in Canada; in Nova Scotia, 3.1 per cent; New Brunswick, 2.6 per cent; Manitoba, 2.7 per cent; Saskatchewan, 1 per cent; Alberta, 1.6 per cent; British Columbia and the Yukon, 6.5 per cent. The point I wish to make is that on account of the large capital investment in industry in Ontario and Quebec, industries upon which so many of our population depend, these provinces should receive a little more kindly consideration than they have been shown in this debate at all events, and our industries should be protected.

Another matter that has not been mentioned at all in the Speech from the Throne is the development of the water powers of Canada. I feel that we do not appreciate the full value of our water powers. In the province of Ontario the municipalities have combined with the government in the establishment of a public utility system known as the Hydro Electric, which under the extremely capable management of the late Sir Adam Beck attained wonderful proportions. It has involved the investment of a great amount of money, but the improvement it has made in the comfort and home conveniences of our people, and in the cheapening of production and living costs, has made it worth many times over the money we have invested in it. The Hydro Electric system in Ontario has practically reached its limits in regard to available power, and what they are asking now is that the powers on the St. Lawrence river should be developed to make available a further supply of power. I think that request should be granted. It is a matter with which this government has probably something to do, as the St. Lawrence for a certain portion of its length between lake Ontario and Quebec province is a boundary river, and consequently this government is the only one that has complete jurisdiction over it. The province of Ontario, I presume, has an interest in the bed of the river, at least to its centre, the same, no doubt, as the United States would have in the other half. Ontario and the Dominion then have a perfect right to deal with the river because half of it is Canadian, and I think steps should be taken to develop the water powers along that river for the production of electricity, to be added to the power supply of the Ontario Hydro Electric.

The development of the St. Lawrence water powers should not constitute any menace to the province of Quebec or the city of Montreal. Ontario is wedded to the public utility system so far as electrical energy is concerned, while Quebec is developing electric power under private ownership, and apparently very successfully. The province of Quebec has shown in the past that they are determined that electric power shall not be exported from the country. That is entirely in keeping with the policy which we maintain should be followed in respect to industry generally throughout this Dominion. The province of Ontario is fully as anxious as Quebec that power should not be exported, and as soon as the contracts under which the Ontario Hydro Electric system is now supplying electric power to the United States have expired, I am satisfied that no more electrical energy will be exported from this province. All these water powers should be conserved for the Canadian people with the object of adding to the comfort and conveniences of the people of this country, cheapening their industrial costs, enhancing their interests in every way, and with electric power perhaps eventually solving our heating problem. At the present time we are absolutely dependent on coal for heat, but the development of electricity, it seems to me, is going to go a very long way towards solving this and many other of the problems that are facing us at the present time. The water powers of every province in this Dominion should be conserved. There must be great water powers in the west, especially in the province of Alberta, and it seems to me the duty of Albertans in regard to their water powers is just as great as it is in regard to their coal resources. Industry in the neighbourhood of water powers can be carried on much more cheaply than when power has to be obtained from some other source.

Up in northern Ontario we find that the water powers there have contributed very greatly to industrial development. The great Hollinger mine, which is productive of so much wealth to Ontario, and has contributed so much to the success of the Temiskaming railway, which was originally extended north as a colonization road, is to-day investing a large amount of its capital in the development of electrical power in the north. In all parts of this country our water powers should be developed for the purpose not only of assisting industry, but of bringing comfort

and conveniences to the homes of the people as well. It is already doing that in Ontario and Quebec, and I presume in other provinces. In any event we should have a policy in regard to the development of water powers in this country. The development of the water powers on the St. John river, for instance, in the province of Quebec has brought to that province an industry which is quite exotic to this country, the manufacture of aluminum products. That industry, which is not indigenous to our soil, was brought to this country solely and only on account of the tremendous water power developed on that river. Now if one water power will cause the expenditure of so many millions of dollars in one industry in this country, I think it is only right and just that we should strive to develop all our water powers. The bringing of industries to this country is another argument why we should have a policy in this country with regard to the development of our water powers. We have heard nothing of that in the Speech, although I think there should have been a reference to it.

Now I want to say a few words upon the coal question; I have already made an allusion to it with respect to Alberta. A complaint from Nova Scotia embodied in a resolution moved by one of the Cape Breton members aroused a discussion in the House which lasted the whole day. The very same day a telegram was read by the hon. member for Bow River (Mr. Garland) telling us of the condition of affairs in the west. But nothing was said at that time about the situation in Ontario, although that province was then suffering from a scarcity of coal, and a great deal of hardship existed in many Ontario cities and towns. In the city of Toronto hardship was rampant. Only those who required coal and did not have it in their cellars knew what that hardship was. Instead of being able to get anthracite coal from Pennsylvania, as they had been doing, the people in want of coal were forced to make use of whatever substitutes they could obtain. I was particularly fortunate myself as I had laid in a supply early in the season. But my neighbour had not taken that precaution, and he suffered very severely. He was only one of the many hundreds and thousands in the province who suffered distress and hardship as a result of the acute scarcity of coal. Now then, we in Ontario say this: If we ordinarily have to pay $15 or $16 a ton for anthracite coal from Pennsylvania, and there should be a dispute between the coal operators and miners of that state with regard to the wages to be paid, hours of employment, and so on, resulting in a strike, stopping production and involving considerable hardship, we have a right to look for better treatment here than we can get from the people across the line, whether it be operators or miners, who are looking solely to their own benefit. The operators want to get all they can out of that coal, and the miners wish to get the highest wages they possibly can. Their fight is their own fight. I am unable to say which is right and which is wrong; in any event we have no control over that situation. It is purely a United States situation and we are the victims of it. The result is that at this time, instead of paying $15 or $16 a ton for anthracite, we are asked to pay $18 and $20 for substitutes that are not nearly as good. We are penalized by having the price of fuel raised, and I ask, would it not be far better to spend that money in getting coal from Nova Scotia and Alberta and paying the price involved? Because whether we are willing to do so or not we are now paying that price. I am satisfied that the average Torontonian—I will go further and say I believe the average Ontarian—will cheerfully pay the extra amount necessary in order to secure the continuous supply of fuel that he needs. And if we spend that money, our operators and miners in Alberta and Nova Scotia, benefit; the Canadian railways receive the proceeds from transportation; and Canadian railway employees are helped, the labour class generally will benefit, and more money will be spent among our merchants and the people generally. In a word we shall be doing something for the benefit of Canada. It seems to me, therefore, that the agriculturists should consent to the imposition of a duty on coal, thus conserving to the Canadians the full benefit of Canadian coal no matter from what part of the Dominion we receive it.

We should do that, and we should shut out the American supply, because very shortly we are going to be told by the Americans themselves that they will not be able to supply our wants. That supply is not going to go on forever. In the New England states they have suffered from a scarcity of coal the same as we have in Ontario; but the people on the American side have a right to say to the Pennsylvanians or to the Virginians: "Why not give us coal? We are Americans the same as you. We will call upon the federal government to stop the exportation of coal to Canada or any foreign land, if we are going to be forced to starve." As a result that demand will be complied with. The United States government will listen to the complaints that come from their own people; they will not listen to complaints

that come from us. Then why not legislate in such a way that we shall conserve to Canadians the full benefit of the coal resources in this country? Not only shall we have a better supply of coal; not only shall we have that supply continuously, but it will mean that the money spent for coal will be spent in this country. The whole trouble is that at present we are allowing too much money to go out of this country.

Let me offer another illustration in support of my argument: The United States has for one hundred and twenty-five years proceeded under a high tariff policy. It has maintained consistently a high tariff policy, and only on one or two occasions have they wavered from it. When they did do so it brought a certain amount of harship, distress, and inactivity of business in the republic. Those periods were very short, however. No matter what criticism we may offer against the United States in many ways, they have advanced under a high tariff policy and they have become the wealthiest country in the world. They are the greatest producers in the world. They rank as high as any other nation in the world, I think, in the producton of wheat and other products. They certainly surpass all other countries in the manufacturing industry, yet they protect themselves by a high tariff, and the results show that in a country like the United States it has been an absolute success. Under the circumstances it is not open for the people of Canada, or of any portion of the Dominion, to say that we cannot do the same. Canada virtually is but starting its career. The United States has not always had a population of 110 millions. We have to-day about the same population as the United States had in 1825 or 1830, but they have made wonderful progress since that time. That progress has been due to the fact that they have, on every occasion, taken the necessary steps to conserve to themselves their home market, and to take priority to themselves over all other nations. They have thus succeeded in organizing a system of mass production in the United States that has enabled them to produce more cheaply than any other country, and that also has created great wealth. To-day they are the greatest exporters of manufactured goods in the world. Their exports are great, and their imports are great also. But their imports are not such as come into competition with their own industries; they are largely imports of articles that they do not produce in their own country.

Mr. BROWN: In order to get the hon. gentleman's viewpoint may I ask him a question. Do I understand that my hon. friend is advocating the imposition of a duty sufficiently high to exclude United States coal, in other words the application of an embargo?

Mr. ANDERSON (Toronto): I would put the duty sufficiently high that we would be able to conserve our resources for ourselves. The extent to which the duty should be raised would be a matter for the much vaunted tariff commission to advise us upon, but it should be sufficiently high to effect the purpose I have mentioned. The duty should be sufficiently high to enable us to retain for ourselves the whole benefit of the coal product of this country, and no higher. If we then pay a little more for our coal the money will be spent in Canada and not spent to keep up American industries.

Mr. MILLAR: Would the hon. member be willing that the people buying coal in Ontario should pay the extra price?

Mr. ANDERSON (Toronto): Certainly. What difference would it make to me? If as a result of this strike I am asked to pay $18 a ton for fuel that ordinarily I get for $15, would it not be far better to say to the mine operators of Nova Scotia and Alberta. "Let me have your coal and I will pay you $18 for it." Would that not be far better? That money would be in Canada, and would perhaps get into the hands of some of the grain growers. I am something like the hon. member for Sherbrooke (Mr. Howard) who commenced his address by saying, "I am a protectionist." Well, I am a protectionist along the same lines that he is. I am not in favour of creating many Carnegies and Henry Fords in this country, but I do not know that that is one of the greatest dangers in Canada. I am not inclined to the view held by many people that Mr. Ford is a menace to the United States. I do not think he is. With the great wealth which he has accumulated, with his ingenuity, his courage and his business ability, he is able to distribute benefits, comforts and conveniences and happiness to more people probably than any other man in the United States; and it is chiefly due to the fact that he has been largely protected in the products of his manufacture. I do not think any of those wealthy men accumulate large amounts of money for the purpose of menacing the country in which they live. I do not think it is any sin that a man, on account of his business ability, should acquire more money than I have been able to gather because I have not the ability to do it. Why should I be jealous of him? If I have got the conveniences of life, why should I worry?

I am not strong on the Scriptures, but I think there is a passage which says that it is easier for a camel to go through the eye of a needle than for a rich man to enter the kingdom of Heaven. However, that is his lookout. I am striving along the road, but it is not the road to wealth. I do not think that the wealthy man is a sinner. I do not think that Mr. Carnegie, with all the wealth which he accumulated in the steel business, did harm with it. After he became wealthy he did not die with his money piled up around him, not having done good with it. He spent it in trying to advance the educational interests, not only of his own country but of Canada. He spent it in profusion. I do not think it is true that a few men are being made wealthy at the expense of the many. The statement was made the other day that the Ford Company at Walkerville had a paid-up capital of $125,000.

An hon. MEMBER: Was it not millions?

Mr. ANDERSON (Toronto): I understand the capital of the Ford Company at the time of the incorporation in Canada originally was $125,000. That does not mean that the present company attained the high position it now occupies on that amount of capital. It simply means that the men who put up the money to establish the company had the confidence of the financial institutions of the country to such an extent that they could borrow for the purposes of their industry all the money they required to carry it on. They borrowed to a great extent, and as a result of these borrowings they were able not only to pay back the borrowed money and interest, but to make a profit; and that profit figured on the total money invested was only a fair dividend. When you figured the profit on a capital investment of $125,000 it looked like a big sum; it showed a dividend of $1,100 a share. That, of course, was not taking the money out of the people. It was not the $125,000 that made the profit. It was the large amount of money which was borrowed by the institution that made it. Every man in any industry or business who has not a large amount of his own money necessarily has to resort to borrowing as a means of financing; but if he has the brain power to make the business successful, he will not only be able to repay principal and interest on the money he borrowed, but will be able to make a profit out of it, which, spread over the large amount of money he has borrowed, may not be a very heavy percentage. Ten millions of money invested in a concern might make a profit of one and one-half per cent, but if you spread that over a capital of $125,000 it is a big profit. But that is not the money of the people of the country. In the case of Henry Ford we have cheap automobiles as a result of his method of business, and the people are enjoying the benefit of it. Ford has reduced the prices of new cars almost as low as the prices of second-hand cars. He is doing that, why? Not to put the money in his pocket; that was not his first object. His object was to do a service to the people, and the money comes back to him in the profit he makes on the tremendous output.

9 p.m.

I submit we should establish in this country such a fiscal policy as will conserve our natural resources for our own benefit and result in the development and fabricating of those resources into the finished product. There is no reason why we should be producing natural products of all kinds for the purpose of creating wealth among the Americans and others. By developing our resources we are going to increase our immigration and get people in Canada who will not be transients, so that our immigration will not be a carrying system only, but rather a settling policy which will enable us to colonize our country, something which is not being done at the present time.

Mr. W. K. BALDWIN (Stanstead): I congratulate you, Mr. Speaker, on having been chosen to fill the position you now occupy. Your selection for the important office you fill shows the faith that members of parliament have in you. We feel that you are eminently and highly qualified for the dignified position. I next wish to congratulate the mover and seconder of the Address in Reply to the Speech from the Throne, on the logical way in which they dealt with the subject. The hon. member for Laval-Two Mountains (Mr. Lacombe) spoke the French language so fluently and eloquently that even those who could not understand that language felt quite at home and could understand his meaning.

Then, Mr. Speaker, I want to clear up a misunderstanding which occurred the other night. When the hon. member for East Lambton (Mr. Armstrong) was speaking I was in a far distant section of the House and asked the hon. member a question. Hon. members on the opposite side made much noise and racket, and said "Shut up, sit down", and all that kind of thing; therefore the hon. gentleman did not understand the question I asked. I wish now to tell hon. members what I was asking. He was talking

about this government doing an injustice to the beetroot sugar factories of Canada, particularly at Wallaceburg. I rose to ask him if he knew that in the year 1885, during the heyday of the National Policy, beetroot sugar factories were established in the town of Coaticook in the district I represent, and also in the town of Farnham; and that each of those factories was closed down about two years. I do not say they were closed down on account of Sir John A. Macdonald's policy, but I believe the farmers got sick of drawing their beets when the roads were knee deep in mud. At that time labour was cheap; farmers could get plenty of help, and men only got from $150 to $180 per year. Sugar was selling at nine to ten cents a pound, and yet the factories were closed. I do not say they closed on account of the National Policy; but the hon. member for East Lambton spoke about the factories ceasing to run. I think probably if the roads were as good then as they are now those factories would have succeeded in doing a fine business.

The next member to whom I wish to refer is the hon. member for St. Lawrence-St. George (Mr. Cahan) who answered some questions which I put to him but who refused to answer one. I will tell him what it was. I asked him if in his sojourn south of the Rio Grande his body was so impregnated with venom, poison and spite that he thought he could come to parliament and talk to his colleagues here as he would address a jury trying to convict a criminal for murder. I have listened for nearly seven weeks in this House to the expounders of the other side and to their logic. They first said that it was unconstitutional for the Prime Minister to summon the parliament of Canada in order to choose who should rule this country. These expounders of Blackstone on jurisprudence cited precedents over a period of two or three hundred years in the British parliament. They said that it was unconstitutional for the free and independent electors of Canada to choose their representatives to come to this national capital and, here assembled, to decide who should rule this country. They cited one precedent after another as to the unconstitutionality of the action of the government, but I will not follow that up except to comment on the spite that they revealed in their remarks. The hon. member for Mount Royal (Mr. White) spoke, and I say, with all due deference to him and his age and experience, that he used language more befitting a rowdy than the polished gentleman which he should be.

Mr. SPEAKER: I would ask the hon. gentleman to withdraw the expression "rowdy."

Mr. BALDWIN: I will do so most generously. Moving down the front row I come to that flowery and gifted orator from West Calgary (Mr. Bennett). I will give him credit for being able to smile at almost anything, for having a great conception of humanity and knowing that you can gain more in this world by smiling than by grouching. Next I come to the hon. member for South Winnipeg (Mr. Rogers) who delivered a most eloquent speech and whose eyes were closely confined to his work. The next was the hon. member for Argenteuil (Sir George Perley), a polished gentleman, but he like all the rest decided that this parliament could stand only for hours or days. They did not reduce the time to minutes, but they said: You have no right here; your action is unconstitutional. Then the hon. member for South Wellington (Mr. Guthrie) made a point-blank bid, stating that this parliament could run for four years or even its full length of time under certain conditions on the part of a group in this House whom I highly esteem. I move down until I come to the vile vituperation of the hon. member for Frontenac-Addington (Mr. Edwards) who attacked the Chair.

Mr. SPEAKER: I must ask the hon. member to withdraw the expression "vile vituperation".

Mr. BALDWIN: Thank you very much. He attacked the hon. member for Southeast Grey (Miss Macphail), and then he attacked the hon. member for Quebec South (Mr. Power) whom he skinned, scalped and dissected. He said that he could not find a particle of the hon. member's being that was fit to deck an outhouse, and I knew what he meant. He next attacked the hon. member for Brandon, the leader of the Progressive party (Mr. Forke), most maliciously and he misrepresented him, saying that he told this House that more dairy products were produced in Saskatchewan than in any other province in this Dominion. I heard the hon. member for Brandon and what he said was that per capita they produced more dairy products than the people of any other province. The hon. member for Brandon is not in his seat and whether he rose or not I do not know, but any child ten years of age would know that

Saskatchewan with a population less than one-third that of Ontario or one-half that of Quebec could not produce more dairy products than those provinces.

I do not wish to go further along that line; but when the members of the government rose in their seats to defend the constitutionality of this party in summoning parliament to do the business of the country, I maintain that they were logical and truthful. From what point of view of ethics or equations or anything else can hon. members deduce that 116 is a majority in a body of 245 members? If anybody can answer this question I will not go any further; I will sit down. No one has answered that 116 members constitute a majority in a body of 245. Was it unconstitutional that all opposed to the official opposition could not agree when really and effectively they are thinking along the same lines? A rose will smell the same if you call it by another name. Why could this body of Liberals, Progressives, Independents and Labour men in this House not agree? I have sat in parliament for more than eight years and a cleaner and better group of men than the Progressives never sat in any house of parliament on the face of this earth. The Progressives were assailed from the time they began to form a group in the regime of Sir Robert Borden on the cross benches at the museum, although a more able and eloquent body of men have not come into being in Canada. They were maligned by the Tories in the parliament of 1917 to 1921 and again in the parliament of 1921 to 1925. Dirt enough was thrown at that group to cover them so deep that nothing could resurrect them. They have been maligned, abused in this House, as any fair-minded person knows. Was it unsound for them to come to the party that was nearest to them, to affiliate themselves with the people who were thinking as they were thinking? Was it unsound that the Independent members should affiliate themselves with the group they thought nearest to their ideals? Was it unsound for the Labour representatives to affiliate themselves with the groups that were nearest to them? We were told that we were unconstitutional, and I am speaking particularly to some twenty or thirty of those people who have belittled, looked down upon the people who have opposed them and tried to make them feel insignificant. I have stepped into an elevator and heard one of them say: They have no brains; they have no ability; they have no debating power. I can tell by the physiognomy that such is not the case. Our friends opposite are determined as the devil that nothing shall escape them. The member for St. Lawrence-St. George (Mr. Cahan) is a very able man. I once remember sitting at a board meeting in Montreal, and he was called in consultation with us for thirty minutes. He only charged $300! I also noticed that when our president called on these men who commanded such high fees they later had to get younger minds to analyse, digest and clarify the subject matter on which legal advice had been sought. Our friends opposite have been vituperative, insulting—

Mr. SPEAKER: Order.

Mr. BALDWIN: Thank you, Sir. Surely I cannot call them angelic. This debate has proceeded for nearly seven weeks. Now they are blocking and daring us to put on the closure.

An hon. MEMBER: No.

Mr. BALDWIN: Well, I do not wish to give away any secrets, but I may say we have no idea of invoking closure. We won the election of 1921 largely in my province by telling our people about the use of the closure by our opponents. I do not believe that the framers of the British North America Act ever supposed that a government in Canada would send ballot boxes to a foreign country to record the votes of those who had never seen the Dominion.

Now, Mr. Speaker, a great deal has been said about the Australian treaty. Why have these great and noble men become all at once so solicitous for the farmer? It is a joke. Their solicitude is simply camouflage to bemuddle his mind and persuade him to vote for the Conservatives so that they may dominate the country. In 1922 and 1923 this House worked assiduously to repeal the oleomargarine law that was put into force by the Conservative government. That legislation worked tremendously against the interests of the farmers. Many precedents were quoted to demonstrate that no country had ever repealed legislation to permit the manufacture of oleomargarine. Butter at that time was selling in this country around 30 cents a pound. After a hard fought battle in 1923, at the request of the Minister of Agriculture (Mr. Motherwell) we repealed the act—and only seven members of the Conservative party helped us. Thereupon butter gradually rose in price, but not one of that group over there that go around in their Packards, their Pierce Arrows, their Rolls Royces, and other high-priced cars said a word on behalf of the common people of

Canada. Let any of those hon. gentlemen go into any of the poorer quarters of our cities and see the people of small means suffering that the selfish few who are rich may become richer. I am a protectionist—

Some hon. MEMBERS: Hear, hear.

Mr. BALDWIN: I am perfectly happy. I am quite content to stay here till morning if necessary. I am a protectionist, but I am not of the kind that want to raise the tariff. I say to my hon. friends opposite: You are not sincere over there, you dare not raise the tariff. From 1911 to 1921, while you were in power, how much did you raise the tariff? I challenge you to tell me. You are talking everlastingly of high tariff, but when in office you dare not attempt to increase the customs duties. The policies of this government have not injured the country. Facts and figures demonstrate that the balance of trade has turned in our favour, and this has brought our dollar back to par. Someone has belittled this condition of affairs, and has said that there was nothing of advantage to this country from the increase of our foreign trade. The butter business, the cheese business—

Some hon. MEMBERS: Oh, oh.

Mr. BALDWIN: Oh, oh. I am quite conversant with that.

Mr. SPEAKER: Order.

Mr. BALDWIN: Those whom the gods would destroy they first make mad. Now, you cannot make me mad, so you may as well keep cool. The mill of the gods grinds slowly, yet it grinds exceeding small.

An hon. MEMBER: Exceeding fine.

Mr. BALDWIN: I thank my hon. friend for the correction. I am trying to keep within the rules of the Chair, but an hon. gentleman in the back benches opposite used very strong language the other day; he said: If you don't get out we are going to push you out. Well, that is a fair sample of those who are condemning group government. Let me tell him and other hon. gentlemen who share his views that this government is going to rule Canada for the next four years. Do not have any doubts about that. Let those who have so villainously attacked the government bear that in mind. The other night while the hon. member for St. Lawrence-St. George (Mr. Cahan) was speaking there was a feeling among some hon. gentlemen that he was rather ill and some expected him to collapse. Happily however the hon. gentleman belies that suggestion; he is apparently quite vigorous and I am pleased to see him looking so bright and charming to-night.

With regard to the tariff, I have not taken the trouble to analyse the figures, but it is significant that whereas between 1911 and 1921 hon. gentlemen opposite did not undertake to increase duties to any extent, for the simple reason that they knew the people would not put up with it, so soon as this government came into power they began howling for protection and higher protection. That shows the insincerity of the opposition. Hon. gentlemen opposite have accused this government of every wrong which could possibly be laid at the door of a party, but they know very well that these charges are without any foundation whatever. The hon. member for St. James (Mr. Rinfret) not long ago was provoked to make certain remarks and in the same way I too am provoked to say things sometimes for which I might apologize. I am sure also that some hon. gentlemen on the opposite side of the House regret many of the speeches that their confreres have made in this debate. I think it is most unfortunate that we should be wasting the time of parliament as it is being wasted at present. Here we have spent seven weeks discussing almost nothing else but the Address in reply to the Speech from the Throne and amendments while matters of great national importance are waiting to be undertaken. Why should hon. gentlemen obstruct the business of parliament in this way instead of allowing the House to get down to business? One important matter that should be attended to is the effort to prevent the present diversion of water at Chicago. One hon. member at the last session of parliament spoke about deepening the river to accommodate larger boats, and he made the suggestion that it might be well to make boats that were adaptable to the river. Well, let me tell the House that the Chicago interests pay no more attention to the overtures of the western states, which are working in conjunction with this government to stop this diversion, than they would to the moaning of the winds, and they will continue draining off the water from the lakes until some effective action is taken by this parliament to deal with the matter in co-operation with the United States government. An attempt will be made on the other side to build a canal from lake Erie through to New York and when that is done it will be good-bye to Canada and to Montreal as the port of our ocean steamers.

Hon. gentlemen opposite are obstructing the business of the House and I charge them with keeping people from coming into Canada. Through their "whispers of death" and their

Jeremiah wailings during the past five years they have served to drive untold capital away from Canada, and the gloomy speeches which they have been making in this House and which have been recorded in Hansard have been circulated broadcast not only throughout this country but in other parts of the world as well. But although hon. gentlemen may retard for a time the progress of Canada, nothing that they can say or do will prevent this country eventually from being one of the greatest on earth.

The ex-Minister of Finance (Sir Henry Drayton) the other night devoted considerable time and attention to the Rouyn railway, which it is proposed to build into the gold fields of Quebec. Why hon. gentlemen should oppose a proposal of this kind, having for its object the development of one of our great resources, I cannot understand. We have been paying $6 a bushel for potatoes in Rouyn gold fields and it is impossible for us to develop our mines without proper transportation facilities when we have to meet such prices. You cannot mine gold or silver unless you can do the work at a cost that will bear comparison with the cost of similar labour elsewhere, and in order to make this industry a success it is necessary to have such transportation as will make it possible to get foodstuffs and other supplies on a reasonable basis. Along with certain other gentlemen I waited upon Premier Taschereau with a view to having some action taken in this matter and I was sorry to see the ex-Minister of Finance throwing cold water on the proposition the other night, after the efforts which the Prime Minister and the government of Quebec have been making to provide transportation into that country. A highly reputable geologist was sent into that country to explore it and his report was quite favourable. I am interested in the concern and you could not induce me to take up any proposition if I did not consider it profitable.

Hon. members opposite, it seems to me, have not yet caught the vision of a united Canada, such as the late member for St. Lawrence-St. George, who sat in this House from 1921 to 1925, pictured to us. I regard him as one of our outstanding Canadians and though he did on one occasion vote against the budget, in the year 1924, he saw his mistake and later rectified it. And as that gentleman showed us, it is impossible for us to have a united Canada without give and take.

So far as the proposed tariff commission is concerned, I would suggest that in addition to manufacturers there should be on that board representatives from various walks of life. I would even include some mother who had raised a number of children and who would therefore know what it was to clothe, house, educate and discipline a family. I would not have only manufacturers who could spend their winters in California, in Florence or in Naples and their summers on the golf links, and have a retinue of servants to wait upon them, living in chateaux and palaces. Any country in which that sort of thing exists must sooner or later sink into the depths of an Ireland or a Russia, if they will not think of the toilers of our land. Do you think for one moment that the brains of the poor are not the equal of those of the rich who are swaddled in eiderdown and fed on luxuries? No public man who has not a heart should be in any government, municipal, provincial or federal, or on any board administering public affairs in this country. Right here I think of two examples. The hon. member for Argenteuil (Sir George Perley), when he was High Commissioner for Canada, was the means of raising men who had not a dollar to the high pedestal of the councils of men. They have been made rich. He said, if I remember rightly, that he had got through with his lumber product business. We on the eastern coast have to pay our taxes, insurance and overhead, and we have had to ever since the Panama canal was completed. That is what we are suffering, but he gloried in what he was able to do. Then he said that the young ladies were most efficient in that wonderful country to the south. I would ask him why he did not stay in this country. We have wonderful resorts here, a Caledonia, a Carlsbad, we have the springs at the old Welland canal, and they are delightful. People from the south come up there and are delighted. Why don't our people stay at home in our own country and see our beautiful resorts? Then our beautiful maidens would stay here.

The hon. member for Victoria-Carleton (Mr. Flemming) has been over at Clifton Springs, New York. He could have found much better springs on the Canadian side, within fifty miles of where he was. But he went to Clifton Springs and watched the trainloads of coal coming to Canada. I pray that Canada with her mountains of coal will develop her own coal resources, and I heartily agree with every member on the other side of the House who has expressed any patriotic ideas in regard to coal or anything else. I agree with every one of them who has expressed patriotism and love of this grand and glorious country. The hon. member for Cariboo (Mr. Fraser) in an eloquent speech the other night told us of the wonderful mineral resources of our country. If we would only develop them, and as yet we have hardly touched the

fringe, we would develop wealth that would make our public debt seem a bagatelle. We have exploited our timber resources, our farming lands, and to some extent our fisheries, but our mineral wealth we have hardly touched. Let us work together and develop these wonderful resources for the sake of this great and wondrous country. Do hon. members realize that more than two-thirds of this country is west of the western border of Ontario? We have members telling us how large their constituencies are. One member the other day mentioned that his constituency was 300 by 600 miles. The hon. member for Skeena (Mr. Stork) compared his constituency with some of the empires of Europe. Let me tell you a little story, and it is true. Last June I was introduced to a German on Bank street, and he told me something of his business. He had met a Canadian in London and Berlin, who had told him of this wonderful country, and he came out here. First he got his Dominion charter. He was told of the great deposits of silica in this country, and at last he found a wonderful silica mine at East Templeton. To show his sincerity he took out a $25,000 insurance policy for the benefit of the company to be; he took out a guarantee bond with a guarantee company for $25,000 for the benefit of the company to be. He went to a man like the late J. R. Booth, who put his hand on the German's shoulder and said, "Mr. Pease, I know something about glass. I sent my son Jackson over to Belgium, and made over a million dollars out of glass". Soon after, I met this young Bavarian and I asked him how things were going. "They are not going at all," he said, and he laid the blame on the public men of this country. He said, "I went down to New York and they said yes, they would finance me. They told me to bring the silica on the boats below the falls of the Ottawa river, and then bring them over here. They told me they would furnish me with one and a half million dollars for this glass factory." It was a factory making bevelled mirrors, automobile glass—expensive plate glass, not common glass. He referred me to one gentleman in this city, a noble old gentleman, a hard worker like myself, but ten years older, though full of pep and ginger and energy. I went and saw him and he said, "I will be vice-president and put forty or fifty thousand dollars in the company. We do not want our money going to the United States; let us keep it here." The next morning I gave the man a cheque for $10,000. Within three weeks, I saw a very substantial man, running up into the millions, one of the members in this House, and I asked him for a cheque for $10,000. It was the member for Sherbrooke, and he said, "I will do it on your reputation." We have now got out our prospectus, and our auditors are Price, Waterhouse and Company. That firm is good enough for me. The foreman, the superintendent, the general manager, the vice-president or the president of your company could not take ten cents worth of merchandise without that firm properly charging it up. I wrote to them and said, "I have put a good deal of money in my life in companies because you were the auditors." I got a letter back on Saturday saying, "We accept with pleasure, although you will not want us this year. We never accept the position of auditors without knowing the members of the board personally, for it is our business to look out for the shareholders." If we had more companies like that Canada would be the gainer, and we should not be troubled so often as we are by crooks, shysters, and hot air artists. There is no place in Canada where we are more troubled with people of this class than we are in this building. I do not know how it is but they swarm through these precincts, and even invade our very rooms. The other day I put this notice on my door: "One hundred thousand dollars waiting for crooks, hot air artists and shysters. Kindly rap before you enter."

Mr. SPEAKER: It would be well if the hon. member would pay due regard to the dignity of parliament and adhere to the king's English.

Mr. BALDWIN: I am very sorry, Mr. Speaker, if I have unwittingly violated the canons of good taste. But the circumstances are such as to prompt me to an unusual display of feeling. Let me say to hon. gentlemen opposite that it would be much better if they entertained the same degree of confidence in this country as does the Bavarian to whom I alluded a moment ago. Let us be true to Canada and to its institutions. As a man who has had a long business experience I would much rather invest in Canadian securities than I would in the securities of any other country.

Now I should like to say something on the subject of our great inland waterway. In New York state they have the Erie canal; and the cities of New York, Portland, Boston and Baltimore are decidedly opposed to the deepening of the St. Lawrence canal. If, however, the movement for the diversion of water from our Great Lakes to the Chicago

drainage canal proves successful, what is to hinder our friends across the line from deepening the Erie canal and taking a vast volume of water from the same source, a source in which this country is so vitally interested? And I believe there is a possibility of that being done. And yet hon. gentlemen opposite are spending their time arguing and quibbling here over the emoluments of office! Hon. gentlemen opposite are fighting and trying to upset the government, and allowing the great problems of this country to remain unheeded. If the people of other countries observe that nothing is going on in this parliament but fighting and squabbling we are not going to attract immigrants here to the extent that we should. Of course they will come here to some extent because we have wonderful natural resources in Canada waiting development.

Here is the immigration policy that I would adopt, if I were an immigration agent. I would go to the populous countries of the world and say to them: "Canada is the greatest country on earth. We have cheap lands, and it is even possible that at some time we may have free homesteads again. If you go to Canada you will go to a great country where we have good laws, a beautiful climate with plenty of oxygen in the air and plenty to do. You can sell the products you raise from our soil, fish you take from our waters, and the materials you derive from the mines and forests. You can manufacture the raw materials and ship them, as well as the products you raise, to the markets of the world." I often think of the case of the Mennonites who settled in the west, many of whom became wealthy there. They moved to Mexico, but some of them did not like that country and have returned to Canada. I believe that those who have come back will yet conform to our laws and become good citizens. I hope that every one of them will eventually return.

The problem of immigration has been often to the fore in this parliament. Personally I would not have too many restrictions. I well remember being at Castle Garden, New York, in former years, as well as in Chicago, St. Louis, and other cities. I have seen many people arrive in that country with their entire wordly possessions contained in a red bandana handkerchief, an old garment, or a tin can. To-day many of those former immigrants are occupying positions of the highest character in that great country. I lay the charge against the government that was in power in this country from 1917 to 1921 that they endeavoured to stir up hatred against the Germans. So incensed were they and their followers against the Germans that one gentleman, who is now the Premier of New Brunswick, rose in this House on one occasion and said. "I would not spend a cent to save the last blood of the German empire." It is too bad to see manifestations of hatred of that kind in this country. The Scandinavians make the very best kind of settlers wherever they have gone. They help largely to create the states of Wisconsin, Minnesota, and the Dakotas in the neighbouring republic. Go down to those states and see what they have done. Examine also what the Germans, the Norwegians, the Swedes and the Finlanders have done in the United States. On the other hand consider what has happened in the New England states, largely owing to the fact that their native sons have forgotten marriage, or have too generally adopted divorce. If you travel through the fertile valleys of the Connecticut river you will see farms which have been vacated by native Americans, whose places have been taken by Italians, Poles, and people of other nationalities.

Now, Mr. Speaker, who will develop this country? Will it be those people who are fond of the jazz and go to picture shows? I say no. Unfortunately, we have to the south of us a great and rich country. Since the Civil war many people in the United States amassed wealth but of course others became poor. Canada has wonderful potential wealth which should be developed.

We must admit that every member of this House has been elected by from 25,000 to 100,000 people, and we are supposed to be able properly to represent their views in parliament. When I came to parliament eight years ago I expected to come in contact with many great minds. I am a very modest man myself, and I hope I shall remain so. Even if I became wealthy and accumulated as much money as the Rockefellers and Morgans, I should not be any different from what I am, because it is said that by the sweat of our brow we should earn our daily bread. That is not the exact scriptural quotation, but I think it is near it. To me it is inconceivable that the parliament of Canada should drag along as it has been doing for some weeks. Some people on the other side say, "Get out and have an election." Well, let them talk to the Chief Electoral Officer of the Dominion. If they cannot get any information from him, let them call up the Auditor General, and he will tell them that one quarter of the counties have not been paid their election expenses. It is absolute nonsense to talk about another election before the expenses of the last have been paid.

More than two millions in solid cash have to be disbursed during an election and an army of officials have to be employed.

How many countries of the world to-day are being administered by group governments? Could any hon. gentleman enumerate them? Now in this parliament we find the brilliant men of the great Tory party rising on the other side and advocating either one thing which is nonsensical or another thing which is absurd. But nothing more nonsensical could be suggested than that we should go to the country again. The people would not stand for it. I do not believe there would be a revolution, but the people would not elect anybody who suggested that parliament should dissolve.

We have many good business men in this country. I have a business which is over a hundred years old, and I am getting the largest number of calls for timber that I have had for years; in fact, I am getting so many that I do not answer all the calls to enlarge or build new factories. At present I am running my business from Ottawa and I have not been home for weeks. Now I face a group that want to destroy the country, but they will not have their way. I run down to Montreal, buy my goods, and have them sent home. Of course if I cannot buy as cheaply as a Jew I do not buy at all. That is a compliment to both Jews and Scotchmen. If I have a dollar in my pocket and I cannot see something worth more than a dollar I keep my money in my pocket. Of course if I could see a bargain I would take advantage of it.

10 p.m.

When I think of the grand and glorious people I represent, when I think of fifty years of married life on a beautiful farm in a beautiful country with sons and daughters and grandsons and granddaughters around them, I feel my inability to represent them. Now here in this parliament we have the administrators of public affairs being slammed and abused. We have the right temperature in this country with its snow, ice and cold weather to freeze our rivers and lakes, so that we can transport the products of the forest. We do not have too much winter, and I do not want to leave the country in the winter season. My wife goes to the British West Indies, to Bermuda in the winter. She has at other times gone to California, but sees more beauty in the West Indies, more beautiful flowers and very nice people. She tells me Bermuda is delightful.

Many millionaires go to the south. I presume there are more millionaires asleep in the balmy climates of the south than are sleeping in Canada. If I had to go away, I would go north. That may seem strange to some people. The people of the north live on fresh air. The sun, the oxygen and the air would cure almost any malady if taken properly. It is sad to hear people say: "My children are sick and I am worried to death". Oh, that the time would come when Canada would put herself on a par with China and Japan, and employ medical men in this country who would attend to the eyes, ears, noses and throats of the poor people. Those people have raised our population to what it is, but if we continue as we are doing our country will be as bad as Fifth avenue, New York. Twenty years ago Fifth avenue families had but two children. Is there anybody who would laugh when we are appealing on behalf of the poor of the country, in order that they may be clothed, fed, educated and receive medical attention? Is there a person in this country so heartless that he would not endorse a proposition to have medical attendants go about this country, to every municipality, every town and village? It would cost less than it is costing the country at the present time. Every man must feel that we should adopt a policy of that kind in this country and it should be at the public expense. It is well known that the rankest weeds grow in the richest soil that produces the best wheat and potatoes. Young people sow their wild oats and yet they grow up and make the most brilliant sons and daughters and the most useful people on this earth, if they turn back quickly.

I know a great deal about the nefarious work that went on during the last election, and I have some extracts from Toronto papers in regard to what happened in Stanstead constituency, but I will let these heinous things go because the Speaker might call me to order for using unparliamentary language if I were to describe properly some of the things that were done. I have some sympathy with the leader of the opposition (Mr. Meighen) because I heard a schoolmate of his, who sits in the far corner of the House, speak about him in his early days. He said that he was maligned in the province of Quebec and that more than one-quarter of a million people voted against him. His name was not mentioned in the constituency which I represent except in one place where it was said, "A vote for Baldwin is a vote against Meighen." In all the other places it was "Vote for Patenaude." I have a number of extracts that I could read, but I will leave them for a later instalment. It has been said time and again on that side of the House that if you in-

clude the Patenaude vote, the Tory party have a majority of a quarter of a million over Liberals. That is a mistake; the parties forming the government have a majority of a quarter of a million. The Progressives, Independents and Labour men combined, therefore, have a right to rule. I cannot see any reason why we are not acting in perfect harmony with the constitution, with the wishes of the people, with everything that goes to make a great country. I can see that that side of the House has changed in the last few days from the attitude of the New York curb to a fellowship, a fraternity meeting. The last great gun that boomed out was that of the gallant old gentleman from St. Lawrence-St. George (Mr. Cahan) and if I thought more of that bombastic stuff was to be delivered, I would talk for an hour or two longer, but I will wait and see what happens.

An hon. MEMBER: Go to it.

Mr. BALDWIN: I am not directed from that side of the House. The other day in the corridor a big, burly fellow who was walking alongside the hon. member for Royal (Mr. Jones), came up to me and put his clinched fist close to my face. I straightened myself up and went closer to him, saying: "What does this mean?" When he saw that I was not afraid of him he withdrew a little and said: "I wish every damned member in this House that is against Meighen could be sent to Mexico and made a target for the Mexican bandits."

Mr. SPEAKER: I would ask the hon. member to withdraw the expression "damned."

Mr. BALDWIN: It was not a member.

Mr. SPEAKER: It matters not.

Mr. BALDWIN: I will withdraw. The only thing stronger than his language was his whiskey-tainted breath. I also learned that he was a lawyer from New Brunswick. This kind of proceeding will never make this country prosper as it should.

The hon. member for Toronto-High Park (Mr. Anderson) spoke about hydro-electric development and seemed to intimate that no one was making efforts to develop the great water-powers of this country. A company in which I am interested is proposing to develop 50,000 horse-power, and another company to which I belong is going to develop 80,000 horse-power, in accordance with the engineer's report. There has not been a hydro-electric development anywhere which has not had its power sold before the plant was completed. Hydro-electric development is making steady progress throughout this country, and no other country, according to population, is making faster progress than the Dominion of Canada. One would think a man with a great brain and intelligence like the hon. member for St. Lawrence-St. George would know better than his statements would seem to indicate, because some fifteen years ago, before electricity attained the prominence it has to-day—and it is only in its infancy yet—he obtained control of a company by hook or by crook when he happened to be in the Rocky mountains. There is not a hydro-electric development to-day where the power is not sold with a demand for more, and that is why I am deploring the fighting that is going on in this House when great questions are crying for solution. There is the question of preventing that great country to the south of us from developing water-powers which would carry back the head waters to the city of Quebec instead of the city of Montreal; for even at the present time it is costing a tremendous sum of money to permit seafaring vessels to reach the city of Montreal. Then there is the question of the depletion of our forests, which will naturally lessen the water supply on account of the higher evaporation. There is also the matter of the United States diverting the waters of the Great Lakes to her canals and sewage systems. The settlement of these questions is being delayed on account of the discussion that is going on in this House.

As regards immigration, if hon gentlemen opposite would not say so much about conditions in Canada, as they are doing simply on account of a desire to get into power, many more people would come to this country. Capital is certainly coming in. and I am delighted to see that last week the stock exchange in Montreal—and the same thing is true of Toronto—has become just about independent of the New York stock exchange. Some hon. members opposite are endeavouring to show that we are retrogressing instead of making progress. That is not the case. We have become well known throughout the world as a great nation; we shall continue to be so notwithstanding all the things that are said against us, and this government will continue to work for the greatest good of the greatest number. Mr. Speaker, although you have called me to order, I thank you for your kindness and courtesy.

Mr. E. F. ARMSTRONG (South Timiskaming): Mr. Speaker, I am sorry that in my maiden speech I shall not be as entertaining as the hon. gentleman who has just resumed

his seat (Mr. Baldwin). I feel a little timid, but I know that you, Sir, are very sympathetic towards a young member who has had very little experience in public speaking and is addressing this House for the first time. But I am sent here by people of the north. You have heard members from the west, you have heard members from the east, you have heard members from the south, but so far you have not heard a representative from the northern part of this Dominion. I come, Sir, from a new district created by the increased population due to the development of industry in the country between North Bay and Hudson bay. There you have two new electoral districts known as North Timiskaming and South Timiskaming, which now have representation in this House.

I have listened with considerable interest to many of the subjects discussed during the past few weeks, and when I look across at the other side of the House I am pleased to see that four of the young men who left primary schools some twenty years ago are now members of parliament. Two went east and two went west, and now they grace the other side. I, Sir, am a young man who went north because I believed that the march of empire was in that direction rather than east or west. There was a strong inducement for me to go to the United States, but I had faith in Canada—I have still and I am going to stay here as long as I live.

You have heard many excellent speeches on the Hudson Bay railway, Sir. I too, live on a Hudson Bay railway, one of the most romantic railways in the annals of our history, and possibly it may be of interest to the House to hear something about that undertaking. I have heard many references to the railway and to the mining industry which are not accurate. I know that hon. members are interested in the mining industry. I have been to every mining camp in the last twenty years; the only rush I have missed was that into Red Lake the other day, and I would not have missed that thrill if I had not been elected to this House. Twenty years ago the government of Ontario projected northward what is now known as the Temiskaming and Northern Ontario railway. It was regarded as a waste of public money to build a railway into what many people described as muskeg country. But after the contractors had carried the road beyond the confines of North Bay they ran through the valuable silver formation at Cobalt—a camp that has become known throughout the world as the highest grade in the history of mining. It is going as strong to-day as it ever was. It has already added $230,000,000 to the wealth of this country, and is still producing from $7,000,000 to $8,000,000 a year. The history of the advancement of that country is even more wonderful than the realm of romance. Hon. members may think I am enthusiastic. Well, I am enthusiastic, so much so that I am afraid I shall not be able to tell the story of the romance of the Temiskaming railway as it should be told. That railway has followed the trail that Champlain blazed. And that wonderful road is going towards Hudson bay.

Beyond Cobalt is the beautiful town of Haileybury, which was recently burnt out, but which its enterprising people have rebuilt and improved. It looks across lake Timiskaming, to the purple hills of Quebec. In fact we get our inspiration from that province. Further up you strike New Liskeard, and thence north for eighty miles you have the finest agricultural country in Canada. You will find there as beautiful farms as you have anywhere in old Ontario. Men have gone in there within the last few years and have taken off enough pulpwood from their land to provide them with working capital sufficient to establish themselves as farmers. Then you can drive over a fine automobile road for nearly one hundred miles. In about a year and a half we hope to have a trunk road from North Bay to Cobalt, passing through the beautiful forest reserve of Timagami. I would ask the House, Mr. Speaker, to have a recess not in the winter but in the summer, when we shall be glad to entertain hon. members in the beautiful isles of lake Timagami. That agricultural territory, Sir, is the embodiment of a great principle; the mining industry opened up there has made it possible for people to come in and till the soil with profit to themselves and benefit to the mining population. We are almost a self-contained country. That is the only market the farmers have, but it is a good market. When referring to some statistics recently I noticed that our mining people are paid twice as high wages as they are in the Maritimes. The Maritimes have my sympathy. Many of our finest miners come from the provinces down by the sea.

Passing seventy or eighty miles over that agricultural area is the mining district known as Swastika and Kirkland Lake. Swastika, the magic word, was given to that town by a recent member of this House. Kirkland Lake is only a few years old, and yet it has the highest grade mine on the continent. In the Teck-Hughes, the Lake Shore, Tough-Oakes and a number of other mines we have very

rich producers. The Teck-Hughes is producing a millhead of $32. Men interested in mining will understand what that means. We have the highest grade ore coming from that mine. We have silver at Cobalt and gold at Kirkland Lake. I may say that Kirkland Lake is right opposite and on the same belt as the famous Rouyn district. It is just thirty miles from Rouyn, and we hope with the co-operation of the two provinces to be permitted to have a railway connecting fifty thousand people with that part of the province of Quebec. We are a very harmonious people up there, we are on the best of terms with our Quebec neighbours. Fifty per cent of my constituents come from the province of Quebec, and I am glad to represent them. As you go further north some fifty or sixty miles you come to what is known as the Porcupine district. You turn to the left and pass into Porcupine.

Mr. O'NEILL: Hear, hear.

Mr. ARMSTRONG (South Timiskaming): My hon. friend from North Timiskaming will be able to tell you all about his country. I want to tell the House about some of the wonderful gold mines. For instance, take the Hollinger mine that is producing and putting through the mill six thousand tons of ore a day. Last year our gold mines produced about $23,000,000 and this year they have created $30,000,000 of wealth in gold. They are increasing at the rate of 20 per cent per annum so that in the next five years northern Ontario will be producing over $70,000,000 in mineral wealth. To-day we hold the third place in the world in the production of gold and to-morrow, that is to say, within the next two or three years, we shall occupy second place. We shall be beaten only by the mines in South Africa. To the right of this wonderful mining district you have the pulp industry at Iroquois Falls, where every twenty-four hours they produce 600 tons of newsprint, a train-load that goes south to supply the great cities of this continent. And that is only one pulp concern in the north country. Twenty-five miles further up the road you come to the town of Cochrane on the Canadian National railways, which is the best built road, with the easiest grades, on the North American continent. This road does not stop at Cochrane, however; it goes further down over the height of land and passes on towards the icy waters of Hudson bay, and at the Tin Can rapids there is a flow of 25,000 horse-power which is utilized to turn the wheels of the Abitibi mills. There is a wealth of romance in that northern country and I tell the people from the west that if they do not get a hustle on we will beat them to it. Beyond that we have the largest china clay belt probably known to the world, and we have asbestos. A gentleman who came out the other day brought also a very fine sample of coal. We have not much coal but if we can get this commodity in the north country we shall have the greatest industrial centre there that will be found on this continent.

This brings me to the Rouyn railway. I do not intend to dwell on this matter but I may observe that this railway is a branch line commencing 112 miles east of Cochrane and going down to within thirty miles of the interprovincial boundary. The road, when it is completed, will provide a freight and passenger service to the Canadian National railways in the north. To-day they have only three trains a week, so that you can readily understand that at first the service will not be very efficient. If this government could possibly bring about harmony between the two provinces so as to facilitate the building of that short railroad between the Temiskaming and Northern Ontario Railway and Rouyn, a daily service would be provided. Passengers at present embark in Montreal and pass Swastika each day on the trip either way, and if it were possible to have the connection made you would have the best service to Rouyn that could be given. And that service could have been provided without spending one cent of money from the Dominion treasury. That $5,000,000 could have been saved, and in this connection I wonder why the Hudson Bay railway should be mentioned at all in the Speech from the Throne. We have been discussing that railway for weeks and yet we have $5,000,000 being spent on a railway here without any mention of it in the Speech. Why do not hon. members from the west get on to this scheme? Do they not ask themselves how it is that $5,000,000 can be spent on this railway without its being mentioned in the Speech from the Throne, while it is necessary to mention the Hudson Bay railway specifically? Let the government take that $5,000,000 and devote it to the Hudson Bay road. The Hudson Bay railway may have many things in its favour, for our history in the north country has been one of romantic and profitable adventure. There are members here representing the east and the west and those who are in the mining area know that the country stretching north of the western provinces and taking in northern Ontario and northern Quebec, known as the pre-Cambrian area, has been swept clean by the wonderful forces of nature, exposing to Canada the greatest treasure country in the now known

world. That may strike the House as strong language, but it is backed up by the best geologists who come to this country.

Now, I represent the people up there and I have come here to put some pep and spirit into the mining branch of this government. I come to offer some assistance to the minister in charge of our mining affairs, because I want some action taken. The people up there want something done, and I am here to urge their needs upon the government. We feel the influence from the west. We want coal and we want fish from the Atlantic. We want those who go down to the sea in ships to send their products to our country. We are in the centre of Canada and it costs us more to live there than it does anywhere else in the Dominion. A ton of coal there to-day cannot be procured at less than from $25 to $30, and you cannot even get it at that. We are the people who stand in need of some action in the matter of transportation for we are the greatest sufferers. We reach both east and west. We gather the sentiments of the people of the west, the people who have certain transportation problems, and we know their political views. And we derive from the energetic and magnificent province of Quebec a good deal of inspiration. We are the melting pot of Canada. The young people of that country are vigorous and they want me to represent their case in parliament and to get the wheels of government moving in their behalf. This is the day of great opportunity. Fortunes and opportunities are passing daily, and I would ask the House to look forward to a great development of that country in the future. A spirit of strong Canadianism is being engendered up there. As I say, we have been called the melting pot of this Dominion, and we look forward with hope to a great development in the not distant future. And I know we shall not be disappointed.

Mr. I. D. COTNAM (North Renfrew): With considerable diffidence as a new member, I rise to address the House on this occasion, but before proceeding to a discussion of the subject under consideration I desire, Mr. Speaker, to congratulate you on your elevation to the exalted position you hold in parliament. The members here, I am sure, all appreciate the grace and dignity you bring to your high and exalted position, the fairness of your decisions and your impartiality in disposing of all questions that come before you for review. I desire also to congratulate some of the hon. members on the Liberal side who have taken part in the various debates which we have so far had in this House, particularly during the earlier part of the session. I refer especially to hon. members from the province of Quebec who have astonished me by the extent of their knowledge of the English language and their proficiency in its use. It has been indeed a great pleasure to listen to those hon. gentlemen speaking in a language other than their mother tongue, and giving expression to their ideas in such well-chosen terms. I listened particularly with a great deal of interest to the address delivered some time ago by an ex-Speaker of this House in the person of the hon. member for Bonaventure (Mr. Marcil) who, I thought, was uncommonly fair and open minded and who couched his observations in faultless language.

We have a rather peculiar situation in this House at the present time. We came into parliament following a general election on October 29. We know that on that occasion the government of the day appealed to the country after propounding certain principles, certain doctrines and certain policies which they thought should be inaugurated in this country if they were to carry on the business of this Dominion successfully. In the Prime Minister's manifesto delivered on September 6 last, he propounded those questions of policy which he thought should take precedence, and with which he thought this parliament should deal. After the election we find that the remnants of that government came back to this House with a following much depleted. They had been storm-tossed and shipwrecked. The government was decapitated on election day, and although they have since recovered their head, I think the people of this country realize, as do the members of this House as they look across to the other side to-night, that they are indeed a very dilapidated remnant of a government.

Those of us who took part in the election of 1921 will remember that the Liberal party on that occasion appealed to the electors of this country on a very definite platform from that which had been laid down in the convention held in this city of Ottawa in the year 1919. At that convention the Liberal party selected a new leader, the Right Hon. William Lyon Mackenzie King, and we all know that he was selected as the leader of the party pledged to support a certain platform, certain policies which were enunciated and laid down upon that occasion. The Liberal party appealed to the country in 1921, but I am here to-night to say that they did not appeal to the country on the policies enunciated in the platform of 1919. In my own constituency, the Liberal platform as laid down in 1919 was never once mentioned during the campaign of 1921. During that whole

campaign the Liberal party carried on under the name of the late revered leader of the party, Sir Wilfrid Laurier, whose name was continually conjured up in order to carry the party through. Mr. Mackenzie King, the leader of the Liberal party, was in my own constituency during the 1921 campaign, and while there he failed to discuss the platform or enunciate the policies of the Liberal party; in fact, the Liberal candidate, who afterwards became the Liberal member in this House from 1921 to 1925, although he had been an avowed free trader all his life, when the election of 1921 took place declared that he had changed his policies and that he was now an out-and-out protectionist. The leader of the Liberal party, I say, when he was in my constituency did not discuss the Liberal platform of 1919; in fact, I do not think the Liberals in this House or in the country want to see that platform of 1919 carried into effect at all. Mr. Mackenzie King, when he came to my constituency in 1921—he was then leader of the opposition—spoke of other problems, problems which were more or less local, and which perhaps appealed more or less to the people of that constituency. Following Mr. King during the whole progress of his 1921 campaign, I believe that he conducted it entirely as he did the last campaign, on geographical principles, enunciating, not the policies or principles of the Liberal party, if it has any, but rather the policies which he thought would suit the particular constituency in which he happened to be speaking.

When Mr. Mackenzie King spoke in my constituency in 1921 he took up such problems as these: As hon. members know, he claims to be a very strong opponent of trusts, mergers and combines, although as a matter of fact he was a member of the Laurier administration during a period when there were more trusts, mergers and combines formed in the Dominion of Canada than there had ever been before or since. I notice that in his manifesto at Richmond Hill Mr. King again took up the subject of monopolies, declaring that he was unalterably opposed to monopolies, trusts, mergers and combines in any shape or form. That is all very fine as grandstand play, but what actually has taken place during Mr. King's regime, even within the last year? In my constituency in 1921 he declared that if he became Prime Minister of this country there would be no more bank mergers in the Dominion. He was opposed to mergers then because it happened that at that particular time a merger was being negotiated between the Bank of Montreal and the Merchants Bank, yet we find that in 1924, just last year, there were four bank mergers consummated in the Dominion of Canada without a word of protest from Mr. King or any member of his government. There were amalgamated last year the Bank of Commerce and the Bank of Hamilton; La Banque Nationale and La Banque d'Hochelaga; the Standard Bank and the Sterling Bank; Molson's Bank and the Bank of Montreal; and yet Mr. King says that he is opposed to trusts, mergers and combines in any shape or form.

During that same campaign of 1921 Mr. King declared that if he became Prime Minister of this country he would have an investigation into the affairs of the Riordon Company of Canada. That was a company in which a great many people in eastern Canada were interested at that time, particularly the people of Ontario and Quebec, who had put their money into that corporation expecting that it was an organization which was being fairly and equitably handled, and one in which the shareholders would have a fair chance. The government that went out of office in 1921 found it necessary to take I.O.U's from the Riordon Company in payment of certain business taxes, because the company, owing to the financial position in which they found themselves, were unable to pay those taxes at the time. When Mr. King spoke in my constituency in 1921 he tried by innuendo to make it appear that the Conservative government was in some way allied with the big interests and with the Riordon Company, that there was some secret underhand dealing between them whereby the Riordon Company was exempted from taxation, yet subsequent events proved that the Riordon Company was in a serious financial position at that time, and that it was impossible for them to pay their business profits taxes. Mr. King became Prime Minister in 1921, and from that day to this no one has ever heard anything further from him about the Riordon Company or of any investigation which would disclose the real cause of the failure of that company.

Mr. King went further than that. He said that the government of Mr. Meighen was a government by order in council, that parliament was not consulted, that practically the whole business of the country was carried on by order in council. Of course, he knew perfectly well as every hon. member knows, that no government can carry on in this country without orders in council. I venture to say to-night that the present government; during the last four years, have passed not five hundred, or a thousand, or fifteen hun-

dred, or two thousand orders in council, but probably three thousand such orders. And yet Mr. Mackenzie King said at that time that he was the great protagonist of responsible government in this country, that the people through parliament must be consulted in regard to everything. What do we find to-day? We find that this government—this responsible government of which Right Hon. Mackenzie King is the head—guarantee the bonds of the Canadian National railways for the building of a line of railway costing the people of this country a sum probably in the neighbourhood of three to five million dollars, for which we are directly responsible. They do this by order in council, although Mr. King insisted when in opposition that government by order in council was altogether unfair and should not be permitted under our British constitution.

I wonder if any of the Liberal members of this House have ever read over the platform of the Liberal party as enunciated in 1919 under the caption of "financial conditions and taxation." I should just like to read a little from that platform to-night for their enlightenment, to see if it conjures up any memories of the past when that platform was framed. It reads as follows:

Whereas the national safety demands that the serious financial position of the country should be known and appreciated in order that steps may be taken to cope with the same; and

Whereas on the 31st March last, according to the statement of the Minister of Finance, the net public debt was $1,584,000,000 or roughly, $220 for every man, woman and child in the Dominion, involving an annual interest charge of about $115,000,000 and thus imposing an annual burden for interest on debt alone of $15 per head of the population; and

Whereas the estimated expenditure of the Dominion government for the present fiscal year is over $800,000,000 or roughly $100 per head of the population; and

Whereas the estimated revenue is only $280,000,000, thus creating an estimated deficit of over $500,000,000—a sum equivalent to $62.50 per head of the population—which sum the Finance Minister proposes to obtain by borrowing; and—

Just listen to what they say here:

Whereas national disaster will overtake this country should the present method of financing the country's affairs be continued—

National disaster, they say, is to follow. These were the gentlemen opposite who are telling us to-night that we are the people who are preaching blue ruin in this Dominion; and yet that is what they were saying in 1919—that national disaster will overtake this country. I continue quoting:

Whereas both Great Britain and the United States at present raise more than 80 per cent of their revenue by direct taxation, while Canada raises not more than 20 per cent;

[Mr. Cotnam.]

Be it and it is hereby resolved:

That the serious nature of the country's financial situation calls for the profoundest consideration of all patriotic citizens and the exercise of severest economy by the government;

That increase of revenue must be sought from an equitable and effective imposition and collection of graduated taxes, on business profits and income, applicable to all incomes above reasonable exemptions;

Taxes on luxuries.

That the best interests of Canada demand that substantial reductions of the burdens of customs taxation be made with a view to the accomplishing of two purposes of the highest importance. First: diminishing the very high cost of living which presses so severely on the masses of the people,—

And by the way, the cost of living is five per cent higher than it was when that platform was framed, yet nothing is said about the high cost of living to-day.

Second: reducing the cost of the instruments of production in the industries based on the natural resources of the Dominion, the vigorous development of which is essential to the progress and prosperity of our country.

That, to these ends, wheat, wheat flour and all products of wheat; the principal articles of food; farm implements and machinery; farm tractors, mining, flour and sawmill machinery and repair parts thereof; rough and partly dressed lumber; gasoline, illuminating, lubricating and fuel oils; net twines and fishermen's equipments; cements and fertilizers, should be free from customs duties, as well as the raw material entering into the same.

That a revision downwards of the tariff should be made whereby substantial reductions should be effected in the duties on wearing apparel and footwear, and on other articles of general consumption (other than luxuries), as well as on the raw material entering into the manufacture of the same.

That the British preference be increased to 50 per cent of the general tariff.

And the Liberal party hereby pledges itself to implement by legislation the provisions of this resolution when returned to power.

I am sure it must be refreshing for hon. gentlemen opposite to listen once more to these words, which they surely must have heard in 1919. That suits hon. members from Saskatchewan all right—So impressive is the statement: "The Liberal party hereby pledges itself to implement these provisions by legislation." You would think the proceedings were as solemn as a funeral. And yet to-day when we draw the attention of these gentlemen to their platform of 1919 and the explicit planks they laid down therein, in which they said that national disaster would overtake the then government if they continued on this course, and that we had a national debt of $1,584,000,000, or $220 per capita; to-day when we draw their attention to the fact that the national debt of this country has risen until it is over $2,500,000,000, or $300 per capita, they say that we are crying blue ruin.

Mr. Speaker, I move the adjournment of the debate.

Motion agreed to and debate adjourned.

On motion of Mr. Lapointe the House adjourned at 10.50 p.m.

Tuesday, February 23, 1926

The House met at three o'clock.

CANADIAN NATIONAL RAILWAYS

INVERNESS RAILWAY

Hon. J. A. ROBB (Minister of Finance): Mr. Speaker, yesterday the hon. member for West York (Sir Henry Drayton) inquired about two orders in council relating to the Inverness railway. In reply, I have received the following memorandum from the Deputy Minister of Railways and Canals:

With reference to Sir Henry Drayton's request that the two orders in council relating to the Inverness railway should be tabled, I may say that there was an order in council passed on the 28th October, 1925—copy herewith—empowering the Minister of Railways and Canals to enter into an agreement with the Inverness Railway and Coal Company to lease, with the option of purchase, the Inverness Railway and Coal Company. In the meantime the railway has been taken over by the Eastern Trust Company. Therefore the authority granted by the said order in council becomes null and void. I know of no further order in council relating to this case.

I table this memorandum, Sir.

GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

The House resumed from Monday, February 22, consideration of the motion of Mr. J. C. Elliott for an Address to His Excellency the Governor General in reply to his Speech at the opening of the session, and the proposed motion of Mr. Bird: "That this question be now put."

Mr. DONALD SUTHERLAND (South Oxford): Mr. Speaker, before proceeding with the orders of the day—

Mr. SPEAKER: It is too late.

Mr. I. D. COTNAM (North Renfrew): Mr. Speaker, when I moved the adjournment of the debate last night I was referring to the platform enunciated by the Liberal party in 1919, and attempting to show that neither in the campaign of 1921 nor of 1925 did the Liberal party appeal to the people on that platform, but that on the contrary they had made sectional appeals in the various provinces. Yet for the last four years the leader of the Liberal party has preached from end to end of the Dominion what he calls "national unity". Well, up until, say, five years ago who ever heard of national disunity? I submit, Sir, that the Prime Minister (Mr. Mackenzie King) by his sectional appeals has had more to do with creating a feeling of disunity and suspicion in the minds of the people than any other of our public men. And he has been obliged to resort to such sectional appeals simply because of lack of cohesion in his own party, which has made it impossible for him to inaugurate a really national policy that would bind together in still closer ties the whole Dominion. He has one policy for British Columbia; another for Alberta, Saskatchewan and Manitoba; east of the Great Lakes he has still another policy for Ontario and Quebec; but when he reaches the Maritimes he has no policy at all. I claim that a government so weak that it has no national policy is not fit to function, and indeed cannot function.

But fortunately for Canada we have the Conservative party, led by my right hon. friend (Mr. Meighen). It is a party which stands for a national policy, a policy that will bind together the whole country from the Atlantic to the Pacific; a policy that when inaugurated will give us a basis on which to build a real future for this Dominion. In my view the platform of the Liberal party adopted in 1919 is diametrically opposed to the policy of the party under the late Sir Wilfrid Laurier. That platform can only bring about disunity. Therefore I claim that the policy of the Conservative party is so fundamentally sound that it will prevent the provinces from drifting more and more widely apart. In a word, the policy of the Conservative party is a policy for the whole of Canada. And fortunately we have a leader who is unafraid to uphold that policy in every constituency. Undoubtedly that policy has appealed to the people, as is shown by the results of the recent general election, which returned my party in such augmented strength that it is now the largest in this House. That is because the people of this country have confidence in the policies and principles enunciated by the Conservative party. I believe there was never a finer compliment paid to any leader in this parliament or in any other than that paid to the leader of the Conservative party by the hon. member for Southeast Grey (Miss Macphail) when she said that she had no confidence in the Liberal party and was afraid that if she voted confidence in them they would not carry out their policies, but that, on the other hand, if she voted Conservative, she believed the leader of the Conservative party would see to

it that the policies of his party were carried into effect. That a member of another group in this House had sufficient confidence in this party to believe it would be true to its pledges was a very fine compliment indeed to pay to our leader and to the Conservative party as a whole. If there is one thing more than any other that is undermining public confidence in government in this country to-day, it is the fact that the people have come to believe that our public men are not sincere in the public pronouncements which they make. Lack of sincerity on the part of our public men is doing more to undermine the morale of the electorate of this country than any other single thing and is probably making for a great deal of disunity in this country.

The Prime Minister in his election manifesto issued at Richmond Hill, on September the 6th, declared that this country required certain definite policies to be inaugurated in order that the affairs of this country could be carried on in a businesslike manner. He made it abundantly clear that he was not in favour of group government. He said that his government in the past four years had been futile. He admitted they were unable to meet the situation in this country. He admitted that during the last four years practically all his government had been able to do was to mark time. He said that there were at that moment great national problems pressing for solution which required the hand of a strong and popular government, and it seems rather strange, after those declarations, that hon. members opposite should declare to-day that they are quite willing to have group government in this House. Their forces were shattered on October the 29th as a result of the shock which they then received, and they have not yet recovered from the shock. We have in my profession the term "aphasia." It is a medical term which means inability to speak, or speechlessness, and those of us who have watched hon. members opposite trying to function in this parliament for the last six weeks have realized that they are all suffering from that particular malady.

Mr. MacLEAN (Prince): Would the hon. member give us the term for the opposite disease?

Mr. COTNAM: The hon. member is not suffering from it.

Mr. McINTOSH: Is the hon. gentleman not aware that speech is silver and silence is golden?

Mr. PARENT: That is a gold brick.

Mr. COTNAM: I think hon. gentlemen opposite should be able to give some reason for their speechlessness. I notice that one of the first hon. gentlemen opposite to suffer from that malady was the acting leader of the government (Mr. Lapointe), who, when he was supposed to rise and give us reasons why the government was asking for an adjournment, sat speechless in his seat for a day and a half; in fact, he was never able to rise properly and give us reasons for the adjournment until the hon. member for Brandon (Mr. Forke) had come to his assistance and explained why he thought an adjournment was necessary at this particular time. Is it not further an admission of weakness, incompetency and inability to carry on the affairs of this country, not only that this government should ask for an adjournment when members have come here prepared to carry on public business, but that the government have not been able to submit any business to the House? Yet over and over again the attempt has been made to make it appear that we are obstructing business, obstructing the government from carrying on. Is it not a confession of weakness on their part that they are not able to carry on? Is it not further an admission of weakness that although every seat in this House except the Prime Minister's was filled when this parliament met some six weeks ago, the government now finds it necessary to go outside its own ranks to find men it deems to be of cabinet timber? Is it not an admission of weakness that they to-day are trying to find a seat for the Hon. C. A. Dunning in the city of Regina?

Mr. McLEAN (Melfort): Why does the hon. member think it is an admission of weakness for Mr. Dunning to run in the city of Regina?

Mr. COTNAM: I did not say that. I said it was an admission of weakness on the part of this government to go outside their own ranks; they evidently considered they had no cabinet timber within their own ranks in this House.

Mr. McLEAN (Melfort): Is there anything unusual in a government strengthening its position at any time it sees fit and has the opportunity?

Mr. COTNAM: I simply repeat that it was an admission of weakness; the government could not find amongst their supporters in the House men of cabinet rank.

I should like to quote a Canadian Press despatch dated February 17, and by the way this was just before the hon. member for

Regina (Mr. Darke) resigned, and I am just wondering whether this announcement means that the government was paving the way, trying to make it a little easier for Mr. Dunning to be elected in Regina. The despatch reads:

The Canadian National Railway contemplates an expenditure of $5,896,000 in 1926 on branch lines. This is the estimate brought down by the government and tabled in the House of Commons yesterday.

Between fifteen and twenty branches throughout the Dominion remain incomplete. On seven of these, track will be laid during 1926. The biggest expenditure will be on the Turtleford, Sask., branch, on which about 44 miles of track will be laid and $1,571,000 expended. A million dollars will be spent on the Dunblane-Central Butte, Sask., branch, and $915,000 will be spent on the Rosedale, Sask., branch, which will be practically completed this year.

It seems rather strange the government should be contemplating all this expenditure on branch lines in Saskatchewan at the present juncture, and I was wondering whether this announcement had any bearing on the local political situation in Saskatchewan and particularly in Regina. A little further on the statement says that only two branch lines will not be completed, one of them at Kingsclear, New Brunswick, and the other at Grande Fresniere, Quebec. Evidently they think there is no use for branch lines at those two points. I have been wondering why, in view of the press reports, the government did not bring Mr. Massey into the cabinet. I wonder if they consider that Mr. Massey would not be any great acquisition to the cabinet, or if they believe with the electors of Durham that, as a result of the verdict on October 29, "Massey's in the cold, cold ground".

Another thing which struck me very forcibly was that when the Prime Minister made the appeal to the country, and when he issued that now famous manifesto, he cited certain reasons, or causes, why that appeal should be made. He told us, in effect, that the government found itself in the position where it was marking time. He said that it would be unable, as at that time constituted, to bring down any great measures of reform to parliament. He stated that there were grave and important problems awaiting solution by this parliament, and among those problems he mentioned Senate reform. Now, I think every member of this House will agree with me that Senate reform is one of those hardy perennials that is dragged out in election campaigns in this Dominion. It has been one of the red herrings which the Liberal party has tried to drag across the trail in every election in Canada for the last twenty-five years; and everyone knows that throughout the course of the last election campaign Mr. King himself did not offer one real, tangible solution by means of which he intended to effect the reform of the Senate, only that Providence, in time, might possibly take enough Tories out of the upper house to enable him to nominate Liberal appointees and thereby secure a majority.

We were supposed to have a transportation problem in this country, and during the campaign Mr. King spoke at some length upon it. I do not intend to go into the transportation problem, more than merely to make reference to the fact that during the course of the campaign the Hudson Bay railway was not made an issue by the Prime Minister. It was only mentioned in the province of Saskatchewan, where he promised that if he secured sufficient Liberal representation from that province he would be prepared to go ahead and build the line. Now we on this side of the House are willing to consider the Hudson Bay railway on its merits. We are not opposed to it, not by any means. I think every Conservative member is ready and willing to make a study of the whole problem and is prepared to vote on the merits of the question; but I do say that there is a vast difference between the Richmond Hill speech of the Prime Minister with regard to the transportation problem, and the method of dealing with it as expressed in the Speech from the Throne. If the Hudson Bay railway is feasible, if it is practicable, if it can be built without too great expenditure of public funds, I believe this House would be in favour of the scheme—at any rate would be in favour of ascertaining, beyond all question, whether it is practicable or not. On the other hand, the government has not given any intimation, up to the present time, as to how much it proposes to spend on the project, how much on terminals, and so forth. As yet we have had no intimation from this government on these points, and I was wondering whether the government wished to keep in abeyance any discussion of the railway, or the possible cost of the project, until it succeeds in getting some ministers elected in eastern Canada, and obtaining cabinet representation in this part of the Dominion.

The Prime Minister further stated that we had an immigration problem in this country, and that it would take a strong government to deal with that problem. To my mind it is not nearly as important to deal with the immigration problem of Canada to-day, as it is to find some solution for the emigration problem from which we are suffering. During the four years of the Liberal regime there was an exodus of Canadian citizens from the Dominion totalling probably 500,000 souls. I

do not believe that our people are thoroughly alive to what that exodus means. While this government has been juggling with the immigration problem—trying to bring into Canada people who, in many cases, know nothing of our race, our language, our religion or our customs; people whom it will probably take one generation or perhaps two to assimilate into our population—we are allowing our best blood, our very best brawn and brain, to leave Canada, and nothing has been done to check that exodus.

I believe that the fathers and mothers of families in this country have a right to expect that we, through our government shall, as far as possible, develop our own country; that we shall, through the policies inaugurated by the government, endeavour to develop our own natural resources and our own industries, and assist in every possible way, the growth of the agricultural industry. I believe that we should have a policy that will meet the needs of all classes of our people. In a family, say, of five or six children, you will have one boy or probably two who will wish to engage in farming, another who will wish to take up the legal profession, another who may desire to become a physician, and possibly two with a desire to engage in business. We cannot all be agriculturists, and unless there is diversity of employment in Canada, through the medium of a policy such as will develop our agricultural resources and our industries to the utmost and afford employment for our labouring people, we are bound to have an exodus of Canadian boys and girls from our shores.

Some people are inclined, perhaps, not to take that exodus very seriously. As regards my own constituency, however, I take it very seriously indeed. Five years ago we had a very prosperous, industrial town, surrounded by a prosperous, agricultural community. To-day that town—and every village, and practically every crossroads—is mute evidence to the fact that Canadian boys and girls are leaving our communities by the score and by the hundred, and crossing into the United States. I noticed a short time ago that there have gone from the Dominion into the United States during the last four years no less than 3,600 graduates from the university of Toronto alone, and that they are now engaged in employment in the United States. That is an appalling figure. It means that the very best brains of Canada are being attracted to the republic to the south. It is estimated that it requires at least $10,000 to educate every one of these students before they graduate from the university, and when they graduate they cannot find employment and are not finding employment in this country but are going across to the other side of the line. That means that we spend during the four years in the University of Toronto alone at the rate of $10,000 per student to educate the young men and young women who are now leaving us and giving their brains and ability to the republic to the south of us. If that is taking place in the case of the University of Toronto, I think it only fair to assume that there is a similar exodus from other universities to the American side.

With regard to our fiscal trade or policy, Mr. Mackenzie King says that he believes in a tariff for revenue. Mr. Marler says he is an out-and-out protectionist, and he was a member of this government. Some members on the other side profess to be out-and-out protectionists. Therefore, it is only fair to assume that the Liberal party as a whole has no settled or fixed policy so far as the Dominion of Canada is concerned. In my constituency we have all classes of people. We have English, Irish, Scotch, French, German and Scandinavian, and they are all very fine types of people. We are endeavouring, and they are endeavouring, to build up in that section of Canada a strong, self-reliant Canadianism. These people are engaged in the different walks of life. We have many large industries employing a great many labouring men, and we have also a large agricultural section in the constituency. The policy of the government during their tenure of office has not been such as to operate in the best interests of the people in my constituency. The constituency sent a Liberal candidate to this parliament for the last four years, and elected him by a handsome majority. But they reversed their decision on the 29th of October because they were utterly opposed to the policy of the Mackenzie King government. The farmers in my district consider that they have been unfairly dealt with by this government, owing to the fact that when the United States government inaugurated the Fordney-McCumber tariff, under which Canadian agricultural products going to the United States were taxed such a high rate of duty that it was practically prohibitive, this government, instead of taking action to relieve the Canadian farmer from the unfair competition of the American farmer, took practically no action at all, and allowed free access to the Canadian market of the same kind of produce that was being grown by the United States farmers. The farmers of Canada considered it was absolutely unfair that while not a bushel of Canadian wheat could get over that

American tariff wall without paying 42 cents a bushel, wheat from the United States or anywhere else can come into Canada on payment of a duty of 12 cents, and that while the Canadian farmer cannot sell his corn in the United States without first paying 15 cents a bushel duty, United States corn comes into Canada free. Canadian wheat flour is shut out of the United States by the imposition of a duty of $2.04 a barrel, whereas American flour can be shipped into Canada on payment of a duty of 50 cents a barrel. The Canadian farmer can sell his hay to the United States on payment of $4 a ton duty, while the United States farmer can export his hay to Canada on payment of $2 a ton. The United States impose a duty on Canadian potatoes of 50 cents a hundred pounds, while potatoes coming from the United States into the Canadian market pay a duty of 35 cents a hundred pounds. If we wish to ship our butter into the United States we have to pay 8 cents a pound, but when the American farmer sends his butter to Canada he can ship it to us on payment of 4 cents a pound duty. American cheese is taxed 3 cents a pound coming into Canada, while Canadian cheese pays a duty of 5 cents a pound when shipped to the United States. The American farmer is protected to the extent of 8 cents a dozen on eggs, while the Canadian farmer has a protection of only 3 cents a dozen against American eggs; and so on all the way down the line. The farmers in my constituency feel that the government of Mackenzie King has been remiss in its duty to the farmers of the Dominion of Canada by not protecting them against the unfair outside competition of the American farmers.

Then, not satisfied with that, this government, without any regard for the farmers of the country at all, decided to negotiate a treaty with the Commonwealth of Australia, with the result that again the Canadian farmer has to compete on an unfair basis with outside products. I do not wish to put on Hansard the terms of that Australian treaty. All I have to say is that the farmers of my constituency and the farmers of the Dominion of Canada consider that it is absolutely unfair and unjust to them. We want to trade with other countries, and are prepared to trade with them, but we wish to trade on a fifty-fifty basis. We want it to be a straight business arrangement. We do not want to make one section or one class of people in Canada pay for certain advantages which we may derive in other markets. We propose that every treaty should stand on its own feet, and that the people of Canada should get a square deal as a whole. In my constituency we had a textile industry, and everyone knows what has happened to the textile industry of the Dominion of Canada in the last four years. Everyone knows that the present government raised the British preference to the extent of 12½ per cent, with the result that British goods produced by the cheaper labour of Great Britain, and also goods that are brought in from France and Germany as well, are coming into our market to compete with our Canadian goods. Why is it that when you walk down the streets of Ottawa and look into the windows and other places you see goods marked, "Made in England"? Why should those same goods not be manufactured in Canada to-day? Why should they not provide work and adequate wages for the labouring men of Canada? Why should not our industries be running full time in Canada to-day, producing textiles and woollen goods for the people of Canada? According to the recognized authorities there are really no physical or climatic reasons why textiles and woollen goods should not be manufactured or cannot be manufactured in this country. Furthermore, if the woollen goods and textiles were manufactured in this country it would mean that our farmers would benefit to a great extent indeed. At the present time the Commonwealth of Australia has about 80,000,000 sheep and we in the Dominion of Canada have probably only in the neighbourhood of 2,500,000 sheep. If the textile and woollen industries were properly protected, it would be possible to carry out a great sheep raising project that would ultimately react to the benefit of our farmers and agriculturists.

Mr. YOUNG (Saskatoon): Does the hon. member object to Canadians buying goods in England?

Mr. COTNAM: I did not say that.

Mr. YOUNG (Saskatoon): Do you object to it?

Mr. COTNAM: No, but I believe any treaty entered into by this Dominion should be on a fifty-fifty basis, so that Canadian industry and Canadian workmen will not be penalized for the benefit of industries and workmen of other countries.

Mr. YOUNG (Saskatoon): Would the hon. member do away with the British preference?

Mr. COTNAM: I would lower it sufficiently that our market would not be flooded with those goods. I do not believe in a one-sided preference. We want an all-round Canadian trade arrangement.

Mr. YOUNG (Saskatoon): Have the British people a preference against our wheat?

Mr. MANION: Neither have they against United States wheat. It is on the same basis as ours.

Mr. COTNAM: As the hon. gentleman opposite comes from Saskatchewan, perhaps he does not realize the present condition of public affairs in this country, and I am afraid some other hon. gentlemen from the west, while they are honest and estimable in every other way, do not appreciate it. They talk about prosperity; they quote statistics to demonstrate that we have great trade balances and they point to our exports and imports. I prefer to go to the man on the street, the business man, and according to Sir Wilfrid Laurier, if you go to the man on the street, you will not have to quote statistics because he will tell you whether the country is prosperous or not. When I go to the business men of my town, as I did last week, and I ask them if business is reviving, improving, I want to get a candid expression of opinion from them. When they tell me, one after another, that business is in a depressed state, I fail to follow the statistics of hon. gentlemen opposite. In my town at the present time—and it is only an index of other towns in this country—people are living on very low rates of wages. Men are glad to procure a job at any wage and they are asked to go to our lumbering camps at $26 to $35 a month. Out of that they are being asked to pay part of the taxes to keep their children in this country, to pay for rent and fuel and schooling for their children. Yet hon. gentlemen tell us that the people of Canada are exceedingly prosperous. Those are not isolated examples; I can take hon. members to my constituency and show them scores and scores of people who are to-day in that unsatisfactory position. I think it was the hon. member for West Hamilton (Mr. Bell) who told us a few days ago about the condition of affairs he found in that city. Four years ago you could not find a vacant house in Pembroke and to-day I believe there are from one hundred to one hundred and fifty vacant houses in that town. Still hon. gentlemen opposite tell us that the country is prosperous and that there is plenty of employment. In my town we had a textile industry, a woollen mill which, a few years ago, was running at full blast. As late as 1922 it was employing 110 mill hands with a monthly wage of $6,500. It was giving employment to many labouring men in that town who were receiving fair wages and were able to support their families in some comfort. The British preference came into effect and what was the result? Last year that mill was compelled to close its doors, and the operatives who used to work in that mill are to-day very largely to the south of the line working for our United States neighbours. That is true not only of one textile mill, but of scores of them in this country. In Renfrew, you will find the Renfrew Woollen Mills, owned and operated by Senator M. J. O'Brien. The manager said to us during the election campaign: "We are not making one cent in our industry to-day; we are simply marking time and only succeeding in trading an old dollar for a new one." That is a mill with an immense amount of capital and that is the only thing that is keeping it going. The other day that mill brought in a shipment of Australian wool worth about $72,000, whereas if we were protecting that industry as it should be protected, it might just as well have bought that wool from the farmers of this Dominion. Woollen mill after woollen mill has been compelled to close its doors in this Dominion during the last four and five years under the British preferential tariff.

Mr. McMILLAN: If the government put on a duty, would that help the hon. member's woollen industry in Pembroke?

Mr. COTNAM: The British preferential tariff has been the means of closing down our mills. I am not speaking from a party or partisan standpoint at all; I believe this is a great national question and one of vital interest to our farmers. I believe it would be of advantage not only to the farmers but to the woollen industry of this country if we had a duty on wool, and if the British preference were lowered sufficiently to allow our manufacturers of textiles and woollens to compete on a fair and equitable basis so that they would not have to compete with the cheap labour of England and in some cases, I understand, with cheaper goods still that are imported from France and Germany through Great Britain which is simply the clearing house. We are suffering from that condition of affairs at the present time. I believe the tariff could be so regulated that we could have in this country a splendid industry which would be of vast importance to our agricultural classes, our labouring people and our various industries.

Some hon. gentlemen in this House and during the election campaign have endeavoured to make it appear that the policy of the Conservative party is one of high protection. As I understand it, and as I believe every hon. member on this side understands

it, our policy is one of adequate protection whereby the manufacturer, the labouring man and the farmer of this country will be protected against unfair competition from other countries. In other words, it is a policy of Canada for the Canadian people. It is the policy that was inaugurated in this country in 1878 and maintained under the regimes of both the late Sir John A. Macdonald and the late revered Liberal chieftain, Sir Wilfrid Laurier. That policy has been departed from by the Mackenzie King administration during the last four years and they have made no effort to remedy the conditions and evils from which the people are suffering at the present time. We believe under a policy of adequate protection we would weld together the people of this Dominion into one great nation, so that we would not have one section west of the Rockies, another in the prairies, another in central Canada and another in the Maritimes.

We are free to admit that there are difficulties in the way; there are great problems to be worked out if we are to consummate that unity which we are looking forward to. We in the central provinces also have our grievances, although, as you will notice, we are not complaining much, but we are willing to concede something to our western friends in Alberta, Saskatchewan and Manitoba. We are willing to concede to them anything that is fair and just and right, and we are also willing to make to the Maritime provinces such concessions as are necessary in order to secure to them the rights to which they are entitled. Having all this in mind, we believe that a strong government with an adequate policy which it would not be ashamed to enunciate to the people of Canada; a government ready to make reasonable concessions in order to promote national unity and to realize that vision which the fathers of confederation had of this country; a government prepared to put into force such a policy as is advocated by the Conservative party, as we on this side of the House understand that policy, would in a short time find a solution for the various problems with which this country is faced at the present time and which the government of to-day has failed utterly to find during the past four years.

Mr. G. R. GEARY (South Toronto): In the early days of this sesion there was cited to the House an authority for the proposition that a ministry must have this quality at least that it can exercise effectual control over the proceedings of the House of Commons; and yet, Mr. Speaker, we hear from time to time from hon. members opposite that we on this side are obstructing the business of the House and of the country. If that be so, and we have a government that can govern and control, why does not that government stop what it calls obstruction? It has the means to its hand but it has as yet shown no inclination whatever to screw up its courage to the required point, even in spite of the rather disastrous defection of the hon. member for Labelle (Mr. Bourassa).

There is no obstruction here; the blame must rest upon the shoulders of the government. It is the government that initiates legislation; it is the government that prepares and brings down for consideration the programme of legislation. We have been told by the Minister of Agriculture (Mr. Motherwell) that this government was engaged as long ago as in November last in the preparation of the Speech from the Throne, three long months ago, and yet at this moment we have no indication whatsoever that any legislation has been prepared, and there is no readiness apparent on the part of the government to implement the promises that have been made in that Speech. Surely therefore we must assume that if there is any obstruction it is due to the utter inability of the government, or its refusal to prepare and submit to parliament any such legislation. We are faced now at this stage with the motion which we have under consideration and which has been submitted to this House by arrangement between the government and the leader of the Progressive party (Mr. Forke). I had almost expected, following the repudiations which we heard the other day, that the government would again repudiate the fact that it had by arrangement with the Progressive party introduced this resolution. The Minister of Justice (Mr. Lapointe) who is leading this House accepts my proposition. I should have thought it was the case, because my hon. friend from Nelson (Mr. Bird), although he denied having any direct connection with the arrangement, did thrust himself and his party into an analogy with the Robin Hood myth—himself the Little John of the piece, and, sitting so close by him, Friar Tuck and Robin Hood from Brandon, not forgetting Maid Marian. They were summoned to some sort of conclave, so he led us to believe, in which the hon. member for Nelson indicated that there was a distressful maiden to be helped—the government of this country. Rather rudely, I thought, the hon. member referred to it as the "under dog." Here, he said, is this distressful maiden; let us to her succour, let us resuce her from the

cruel oppression of the High Sheriff of Nottingham; moreover, my merry men all, said he, if we don't do something of that sort we shall be faced with the necessity of voting either confidence or no confidence in the present government, and that is going to be very awkward.

If the government accepts the position I have indicated, we have once again the spectacle of the larger part of the animal being wagged by the tail, and that is probably a very pleasant motion when one becomes accustomed to it, something apparently in this case in the nature of a soporific. The person who is watching these proceedings can sympathize very largely with the government because after all it is in a difficult position. I can imagine the leader of the government saying, "It is very nice, this being in power, very pleasant and very profitable and we like very much sitting here. But, dear me, we have to do a great deal; we have so many people to placate, so many arrangements must be made from time to time, that it is enough to try the patience of any man. There are my allies, the Progressives, who are showing signs of independence. I don't believe I can trust their leaders; I don't believe those leaders can control all the Progressives, for a bit of that sturdy independence declared in this House seems to be manifesting itself just now. They insist on running the whole show. That is one of my troubles. And looking further down the chamber I see the hon. member for Winnipeg North Centre (Mr. Woodsworth). There is an active, live person, a man who insists on being attended to.

Bright and early on the morning of the first day he sat down and wrote two letters, one to the right hon. leader of the opposition (Mr. Meighen) and one to the Prime Minister, asking for certain concessions. He got, direct and forthright by return mail, a square and fair answer from the leader of the opposition. He got no letter from the Prime Minister. Well, something had to be done. The first vote was coming on and he called upon the Prime Minister; and whatever the result of that interview was it was satisfactory for the purpose, for it enabled him to cast his vote as was desired. But there was a second vote coming and still the letter had not come, and in my mind's eye I can see the course that was taken by the hon. gentleman. I can see him walk up to the door of the Prime Minister's sanctum, I can see him ushered in, and I can hear the Prime Minister say to him "What can we do for you to-day?" His visitor answers, "What I want is a reply to that little letter which you promised me so long ago and which has not been forthcoming. We are getting just on the eve of another vote, and I must have that letter." This was on January 28. The Prime Minister says: "Just take a chair and we will attend to that right away." So it is attended to, and I can see the Prime Minister ushering the hon. gentleman out of the room while he says, "Well, will that be all for you to-day? Shall I send it or will you take it with you?" The door once shut and the Prime Minister left alone, his countenance takes on another cast, and I can imagine him saying to himself:

> Yond' Cassius has a lean and hungry look;
> He thinks too much: such men are dangerous.

But the letter is there, the letter with the five items set out in detail. I cannot give them all to the House, but one is an amendment to the Criminal Code. The hon. gentleman has the letter. On the 29th, the vote is about to be taken. He rises in his place, and to make assurance doubly sure places the letter on Hansard, and when the time comes he votes "like a little man." No wonder the hon. gentleman took his seat with a smile of satisfied accomplishment. I wish he were here because I would ask him if he remembers a certain picture that appears before me at the moment—the picture of a pleased looking cat with a great grin from ear to ear, licking its lips and supposed to be saying, "I have eaten the canary."

"That is another of my troubles" says the leader of the government. "But then I have to consider still another gentleman, the hon. member for Labelle (Mr. Bourassa). Of course one knows that he is a man of gestures, and I am not particularly concerned when he makes a gesture towards the Conservative party. But one never can tell, so vehement a gesture may he make some day that he will overbalance himself and topple head foremost into the Conservative lobby. That man is not any great comfort to me either. Then I have the protectionists in my own ranks, the free traders and others. Goodness knows I have troubles enough of my own." Then he looks back to those stirring days of September last when he and his party were going forth to battle, and he recalls all the high and noble things that they set forth in their manifesto, all those great questions that would be dealt with by the government whose party was then breaking a lance with the opposition. "Those were high resolves." I can hear him say, "and we determined to do many things. We were going to implement those resolves

by action, we were going to be strong for the people. But see the position we are in. We have got to think this thing over. Perhaps we were a bit rash. We need a little more time for consideration. We are not in as easy circumstances as we had hoped to be." And so the desire to do something great and noble gradually passes by.

And thus the native hue of resolution
Is sicklied o'er with the pale cast of thought;
And enterprises of great pith and moment,
With this regard their currents turn awry,
And lose the name of action.

Mr. Speaker, His Majesty's loyal opposition has another view of this matter. We are not disposed to take the lead of inaction which has been given to us by the leader of the government. We are disposed to go on and discuss the business of the country, the questions that should come before this House. The words of the Prime Minister echo still in one's ears, that one of the great problems facing this country and awaiting discussion in the House was the problem of our railways. It is a very important problem because the people at the moment are staggering under a load of taxation which is built up largely of deficits in the operation of the National Railways. We have turned over the operation of the system to a company, which, periodically turns in its statement of operating income and outgo. But this House has reserved to itself, Sir, one important function in regard to the financing of the system. It does not propose to interfere—it has not interfered, so we are told by the Minister of the Interior (Mr. Stewart) —with the actual operation and management of the road; but this House does propose to interfere, has interfered, and will continue, I believe, to interfere with the expenditure of money on capital account. One of the most prolific sources of discussion during the last two sessions, and probably before, has been whether or not this House will vote money to build branch lines, whether it will guarantee the bonds to be issued for the construction of such branch lines. Each line, big or small, has had its own special act, and around that act has centered discussion on the merits or demerits of the proposition. I know of no branch line that has been built of recent years at all events, in fact I know of no branch line which has been built otherwise than after the fullest and freest discussion by this House of its merits or demerits.

Well, the right hon. Prime Minister, we recall, was speaking at Richmond Hill on September 5 and uttering these lofty sentiments about the conduct by parliament of the business of the country. But at that very moment he was on the eve of perpetrating by order in council the most outrageous violation of the rights and privileges of parliament. It had been suggested to him or to his government that a branch line might be built from a point in Rouyn township to the National Transcontinental. I must not detain the House with details of the geography of the district. Suffice to say that Rouyn is in the northern part of Quebec and is well known to all members of this House. There runs at a distance forty-five miles north of it and from the west eastward to its terminus in the city of Quebec the National Transcontinental. To the west of it running from North Bay in a northerly direction and then bending to the west is the Temiskaming and Northern Ontario railway, which ultimately finds its destination at a junction called Cochrane on the National Transcontinental railway. West of Rouyn some fifty-five miles runs this Temiskaming and Northern Ontario railway and, if you drew a line directly west from Rouyn you would intersect the latter railroad at a point called Swastika. From Swastika a road has been built under a Dominion charter eastward over part of the intervening fifty-five miles until it strikes the boundary between Ontario and Quebec at a point just twenty-three miles short of Rouyn. So if that road were to be extended that distance it would reach Rouyn; whereas the present proposition is to build a new road forty-five miles in length from the Transcontinental railway down to Rouyn.

Now it is said—it was said by the hon. member for Timiskaming (Mr. Armstrong) last night in his very interesting and instructive address on the north country —that this Temiskaming and Northern Ontario railway is equipped for the purpose of developing the mining industry in that north country; it has a frequent and perfectly satisfactory service. The Canadian National road in its course westward from the city of Montreal takes that route north from North Bay to Cochrane, and there is a service, passenger and freight, with every facility for handling the mining output of that country. This is not the time, Mr. Speaker, nor is it the place to discuss the merits of the proposed branch line from Rouyn up to the Transcontinental railroad at O'Brien. That is a matter, and of this we complain very bitterly on this side that, due to the action of the present government we have not been permitted to discuss. No opportunity has been given, as there would have been if there had been a particular bill introduced, to discuss this proposed construction in the House and in the committees

of the House, or to put questions in regard to the building of this line, or to discuss whether an issue of bonds to the amount of some $5,000,000 should be authorized and would be proper to be added to the outstanding charges of the National railway system. That, as I say, is a matter we have been given no opportunity to discuss at all, and this, Mr. Speaker, it is not my intention to discuss, but it is well within the range of possibility that one would find varying opinions in this House on the one side and on the other as to whether this country should go to the extent of a capital expenditure of $5,000,000 on account of this branch line. I do not attempt to be a judge of that question; I might be influenced one way or the other by the discussion of the matter in this House, but the difficulty is that discussion of it has been entirely closed to us by the action that was taken by the government.

Now how was this Rouyn railway arranged for? The government was asked if it would build the line. Who were active in the proposal I am not in a position to say, but it is fair to say that the government of the province of Quebec was very deeply interested. It is fair to say, I think, that the Noranda mines were interested, and whoever else I do not know, but the course of affairs afterwards shows plainly enough that no matter who were the persons interested in the proposal to build this road, at all events they were not parties to whom the present goverment were unfriendly. The government acceded to the request, and I have no particular objection to that, nor could anybody have, if he felt it was a proper request. But did they take the straightforward, the usual and the legal method of putting into effect the building of that line? Did the government incorporate the matter in a bill and bring it to this House for decision, as had been done in every other case within my knowledge? Not at all. The government entered on a course of evasion. It promoted a scheme to get around the law and to deprive this House of its privilege and right of free discussion in the matter. It entered into a scheme to take advantage of a technicality which would enable it to do something by order in council which it well knew it had no business on earth doing at all. This government, Mr. Speaker, lent itself to the promotion of a dummy company. It lent itself to the wiles and arts of the expert corporation lawyer. It lent itself to all the rigmarole of subsidiary companies and figurehead directors. It lent itself to the device of not letting your left hand know what your right hand doeth. It entered into that scheme, that solemn mummery where a board of directors who do not direct, and never intend to direct, and could not direct, were called upon in meeting and solemnly acquainted with the fact that it was expected if this road was built it could be leased and operated by somebody else—that is to say, if those directors ever took the trouble to read the prepared minute that was laid on the table before them they might have become acquainted with that fact. This board swallowed at one gulp, in a hurried sitting—a long, intricate, involved agreement covering four or five pages of Hansard, probably five or six thousand words in length, and just put its name on the dotted line.

I shall deal, if it is at all necessary, later on, with the method which this government undertook to pursue to accomplish its object. It is sufficient to say at this moment, Mr. Speaker, for the purpose of my further point, that it is clear beyond peradventure that this government—through the Canadian National Railway—is actually by its own organization constructing a branch line of railroad 45 miles in length from Rouyn to the National Transcontinental railway. That is my premise.

Now why did not the government come to this House in the ordinary way? Because it wanted to build this road for purposes best known to itself. It knew it had not the legal right to build this road, and it determined to build this road without legal authority in any way that it could devise, and because it thought that by laying out and following this devious path of corporation trickery it could circumvent the law and bring itself into the shelter of an act of this Dominion parliament passed in 1915, but which, as a matter of sober fact, I shall be able to show plainly to this House has nothing to do with the case at all. The very words of the agreement which has been placed before us by my hon. friend for West York (Sir Henry Drayton), and is on Hansard, indicate that it was prepared, drafted and finally put into form for one purpose only—I mean outside the purpose of construction—and that was to try and bring itself within the provisions of this act of 1915 to which I have referred. And so it becomes necessary for me, without any particular technicalities, without any particularly fine discussion of points of law, because I do not intend to go into that, to refer to what the government now presumes has been its authority for acting in this matter by order in council as opposed to the usual course invariably followed of submitting branch lines for discussion and decision to this House.

Before 1915 there were government railways. They were governed by an act called the Canadian Government Railways Act. All I have referred to that for is for the purpose of showing that a government railway was defined in that act to be a railroad "under the management and direction of the Minister of Railways and Canals." Then in 1915 the matter of the bill referred to came up in this House. The party then in power in this House was the Conservative party, with the Right Hon. Sir Robert Borden leading the government, and the Right Hon. Sir Wilfrid Laurier, of lamented memory, leading the opposition. The Conservative party had had as a plank in the election this, that all lines privately-owned attached to the Intercolonial railway should be purchased and added to the Intercolonial railway. It had introduced a bill for that purpose, but it had been defeated, and the matter came up in the House again in 1915. Mark this, Mr. Speaker, and hon. members, that that was a well-known and established situation. Everybody interested in the Intercolonial railway knew of every branch line that was in existence at that moment. A bill was introduced. The hon. member for West York adverted to it in his speech the other day, and I do not intend to go into the matter by way of repetition, except to emphasize one or two points. After introducing the bill the then Minister of Railways pointed to the fact that these independent lines exist in conjunction with the government line subjecting the shipper or passenger to a local rate, so to speak, whereas they might have been on a continuous line getting a through rate, and so on. These were reasons that appealed very strongly to gentlemen on the other side, and were acceded to by them as being sound and substantial reasons. When the question came up Mr. Macdonald—as he was then, but now the Minister of National Defence—took part in the discussion. My hon. friend said in effect: Yes, but this applies to the Intercolonial and Prince Edward Island roads only. How about the situation if the government takes over the Transcontinental railway line? It was generally admitted that that would create a different situation, and it was finally, definitely and unanimously agreed, and so appears on Hansard, that the legislation of 1915 applied exclusively and only to the Intercolonial railway and the Prince Edward Island railway. One cannot get away from that, and it is important to recall Hansard because the discussion of that time has a distinct bearing on the whole question. Later on the Transcontinental railway did become a government railway, and later on was added to the Canadian National railway system. But my present point is this—that that act of 1915 was passed definitely and exclusively in regard only to the Intercolonial and Prince Edward Island railways. That is the point that is established, and that point I wish to have borne in mind. Where would the other view lead us? Suppose that in 1916, one year after the act was passed, the Transcontinental line had become a government railway; and suppose that the House was met then with the situation that faces us to-day, and that the Rouyn railway was suddenly approved by order in council under this provision, supposedly, of the act of the year before, the act of 1915? Can any hon. member of this House suppose for one moment that the House could be hoodwinked by any action taken under the act of 1915? Of course it could not. I can see Sir Wilfrid Laurier and Mr. Macdonald rising in righteous indignation and describing such action as an outrageous breach of faith, as indeed it would have been. This is 1926, ten years later. Can it be any less an outrageous breach of faith to try and put this thing through in the manner it has been put through to-day, than it would have been under the same act ten years ago? Statutes do not improve or grow, or change with age. It is the same statute to-day as it was then; and it is plainly to be seen that it can not permit to-day what it did not permit in 1915. The Minister of National Defence, at least, was fully aware of all the circumstances of the passing of that act in 1915; and I am perfectly safe in saying that knowledge of the circumstances of 1915 is within the minds of many of the members of the government and hon. gentlemen sitting around them.

Let me look at the matter in another way. The act of 1915 provided for acquisition in two ways. The government might buy or lease a railroad up to the limit of 200 miles in length, and it was quite safe to entrust to the government the buying or leasing of lines up to that limit because everybody in the House knew what those lines were; they were all then in existence and present to the minds of members who were passing the legislation. Another clause which was allowed to be incorporated in the act was to permit the building of new lines but with the limitation that the road yet to be constructed should not exceed twenty-five miles in length. Now let us look at the matter in this way, bearing in mind these two provisions—that the 200 mile railroad was evidently and very plainly—can any member think otherwise?—a road already in exist-

ence. The twenty-five mile road was a new road; by the very terms describing it it must be so; it is a road yet to be constructed. There is no question whatever as to the difference in the two classes, and yet this government claims that the act of 1915 enables it, with its own organization, to build a new line right up to 200 miles in length, and not confined to a line twenty-five miles in length, provided only that it does not allow its left hand to know what its right hand is doing. As long as it does that the government can get out of a solemn act of parliament, and take advantage of something it was never intended it should take advantage of. I cannot see any sense in a proposition of that sort advanced by hon. gentlemen on the other side.

But if we look at the matter in still another way we can see the distinction still more plainly marked. Bear in mind always that the Rouyn branch is a forty-five mile branch. There is the plainly marked distinction between the two classes of railway dealt with in the act of 1915. As to the 200 mile railway all that was required for the purchase was that it be reported within a certain length of time to the House. That was quite right because the House in passing the legislation agreed that all of the existing private lines might be acquired if the government cared to do so. But as to the construction of any new line up to twenty-five miles in length the money was to be voted by parliament. That is the precaution parliament took in regard to any new construction. And, moreover, new construction could not by any possibility be deemed to include this forty-five mile Rouyn branch. There was to be in any event no now construction exceeding 25 miles in length. And yet because this government does not find it convenient to act in the proper way—perhaps because it has been too heavily importuned, perhaps I submit to the judgment of the House, because it was afraid and its friends also that in the state of feeling existing in the House the building of the line would not be approved—it has taken this underhand method of which I complain.

Let us look at one other phase of the question and it is this: If the proposition of the government is sound, then parliament must be said to be agreeing, or to have agreed, to a condition of affairs whereby in four of the nine provinces—Quebec, New Brunswick, Nova Scotia and Prince Edward Island—the government may construct a line up to 200 miles in length, whereas in the other five provinces of the Dominion it can do nothing of the sort. Can hon. members think there is any sense in that? Does this House legislate in that way? Does this House legislate so its statutes will have unequal operation? Not at all. This House legislates so that there shall be equal operation all through the Dominion, and not that four provinces will get something that the other five provinces will not get. Now, Mr. Speaker, that act was passed for an existing situation, a situation known to every member of the House in 1915. It was never intended to apply to the situation we have to-day, and the government is strongly to be reprimanded for attempting to strain the act of 1915 so as to bring within its purview something that very plainly was never intended to be so brought.

I wonder how members of this House who are interested in the construction of branch lines feel about this arrangement. I ran across one case the other day; as a matter of fact it had to do with a construction attaching to the Intercolonial railway, four miles in length, at a total cost of $40,000, and still that little branch line had its own act submitted to this House for discussion in 1924 and there was a decision in the House on it. I wonder if members who were here at that time remember those solemn discussions in regard to the different lines, and I wonder how they will now picture the members of the government, while the discussion was going on, sitting with their tongues in their cheeks, and thinking how fatuous hon. members of this House were in dealing with these matters. What do my friends the protagonists of the Hudson Bay railway think of this proposition? My right hon. leader has stated that it was estimated that $3,000,000 would be required for the completion of this line of railway. I do not know the particulars of it. But here is a $5,000,000 proposition which does not come before the House at all, slipped in by order in council, the contract let, the work commenced and this House never hears one word about it. That is the difference when the party wanting the road built is a tried and true friend of the government. Those of you who favour the Hudson Bay railway may think you are friends of the government, or the government is your friend, but how you must worry and repine when you think of what might have been done for you and the Hudson Bay railway if the government had only set its expert corporation lawyer to work to get it done.

The matter may be tested in other ways. I do not wish to take up time going into it more fully, Mr. Speaker, but after what I have done in looking at it crossways, or back to front, or upside down, and testing it in the way I have tested it, I do hope it is plain to members of this House and plain

to the wayfaring man that the statute was never intended to apply to any such case as the Rouyn railway. The most casual observer would have no difficulty in coming to the conclusion that the statute was never intended to apply to this railway. My hon. friend the Minister of Finance undertakes to defend the proposal, and how does he defend it? By saying that it was a good line and that it would be a paying one. That has nothing to do with the case at all, that is a matter to be decided by the House of Commons after full discussion and not by the government. But the Minister of Finance goes further and says, "I defend this proposition in this way: I produce for you an opinion of counsel which says that it is all right, and which says that because the railroad has been started, therefore it is a railroad work. True it is not a railway line, but it is a railroad work because it has been started." As a matter of fact it has not been started. But that was one ground on which the opinion was based. Instead of being furnished with the opinion of counsel of the Canadian National Railways in this matter, I would have preferred to see the opinion of the law officers of the crown, of the Minister of Justice and of the Solicitor General, who know the proceedings of this House and who know very well that the act of 1915 has no relation whatever to the scheme proposed to be put through at this moment. But we have not got that. We have the opinion of outside counsel. It is no concern of this House what my view of the legal question may be, but I do disagree with that, and I say that probably counsel is wrong in his opinion, because he has not had the facts placed before him. His opinion is most guarded and is not an opinion based on the actual facts or covering the situation. Moreover, counsel has not been made aware of the basis upon which that legislation was passed, which is set out so plainly in Hansard of 1915, but the members of the Privy Council who passed that order in council knew it, and they had no business to accept an opinion which they knew was based on false premises and does not approve the thing that is here being done. The circumstance which would have affected the opinion of counsel's knowledge of the proceedings in the House, because even in a court of law you may call in, in aid of the construction of a statute, the proceedings of this House. That is a legal proposition that may be disputed, but I maintain that it is sound. However, what matters that to us? Surely you can bring Hansard of eleven years ago into a discussion between members of this House, between the government and the rest of the House, where they are supposed to be acting in good faith and fairly, to aid you in construction of the statute, and certainly members of the government knew what had passed in 1915. But they deliberately shut their eyes to what they knew was the intention of parliament in passing that act. The late Minister of Railways was also in the Privy Council which passed the order in council of September 26, was also in the House when they were dealing with the matter in 1915, as were many others. I have no doubt it was well known, and if it was not well known it should have been. It was part of their function, their duty and their responsibility to know the circumstances under which that act had been passed.

My hon. friend the Solicitor General (Mr. Cannon), in a moment of heat the other day, applied what he thought was a hard definition to something which had been said or done on this side of the House, when he said, "That exemplifies what a Tory is in power". Now, Mr. Speaker, have we within the present knowledge of members of this House anything more arrogant and autocratic than the action of the Privy Council or this government in passing an order in council allowing the building of that line in direct defiance of the right, the duty and privileges of parliament? Talk of arrogance, despotism and autocracy; if we on this side of the House ever wish to practise those principles, we know very well now where to look for a sound example. I stated that I would discuss this procedure in this matter because it was a matter of interest. Perhaps it is more a matter of amusement than of solid food for discussion, but to my mind this is just exactly how the thing was done. Somebody approached the government and said, "We want to build this line". The Government said "Yes, if you wish it we will do it, but how are we going to do it? Then counsel was consulted and said, "It is a perfectly simple matter; all you do is submit it to the House of Commons". It was reported back that that would not do at all, the bill might never pass, and this railway must be built. Then counsel was told by the government, "That will not do, you must out of your brain devise some means by which it can be done, and we will put it through". He goes at it, enters into this scheme and early forms his dummy company. That statement has been objected to by the Minister of Finance, and he says that this is not a dummy company because it was incorporated by stenographers. I am quite aware of the usual course in incorporating companies. The only significance is

that the stenographers were all employees of the Canadian National, and the incorporation was done by that railway. It was a dummy company, because it never had any function. It came into existence purely and simply as part of a lawyer's scheme to enable this government to get over the provisions of the act. That is why it is a dummy company. It was incorporated, held its solemn little meeting, and somebody prepared an agreement which it dutifully accepted.

The hon. member for West York (Sir Henry Drayton) has gone into that agreement in such detail that it is not necessary for me to go through it again, but the only thing about it that at all resembles a lease is that the parties are described as the lessor and the lessee. It is an agreement to build a road. There is nothing else to it. This dummy company—and my hon. friend objects to its being called a dummy company—has never had and will never have a single thing to do with building the road. What happens is just this: My Progressive friends do not like the wiles of corporation lawyers; they perhaps do not like lawyers at all; but surely they will be interested in knowing that even the government of Canada does not mind stooping low enough to take advantage of every device and bit of trickery that can be employed in order to get through something which it wants to get through and which it cannot get through in a legitimate way. All that this agreement provides is that a payment is fixed which covers interest and sinking fund. In other words, the government pays for the road and pays all the taxes and all other possible outgoes. It maintains the road, and the agreement is so carefully drawn that in case there should be a charge of $100 or $200 for preparing the annual statement and nobody knows how it is going to be paid, the government says: We will pay that so long as you keep it down to a thousand dollars. Therefore, there was never an outgo which the dummy company had to make on its own responsibility. It did not even have to be the source of communication in regard to payment of interest on the bonds or the so-called rental because the agreement very nicely provides: Once the contract is signed, we will pay the trustee for the bondholders everything so that you will not have even any trouble in handling the price.

My hon. friend, the Minister of Finance, objects to a supposed statement that because stenographers incorporated this company it is a dummy company; he says: "The directors of the company are 'capitalists' and I will prove to you that some of these gentlemen have money." I am sorry for my hon. friend because he was face to face with something that was very hard to explain. It had been mentioned in this House that the road was to be built by capitalists. If so, these capitalists apparently are going into this project just for the fun of the thing. They are not getting a cent; they are not handling a cent; they are not handling a contract; they are not even writing their names on a piece of paper; they are doing nothing, and even the expense of the solicitor in preparing the annual statement is paid by the government. At the conclusion of thirty years when the bonds are paid, the road is simply turned over to the Canadian National Railways and again the Rouyn Railway Company disappears from our ken. It is not a lease; it is just an arrangement to build a railway, in the name of some one else. Putting your property in your wife's name is a difficult matter compared with this, because the government continued in full enjoyment of all its functions, went ahead with its own gang and constructed and is constructing the road. The other day an hon. member asked a question as to whom the railway would belong when finished. Of course, it belongs to the government when it is built. The whole idea is for the government to build and own this railway in spite of the law. A certain portion of the North American people, particularly in the United States of America, are thrilled by, interested in and enjoy thoroughly literature such as that which appears in a book called Get Rich Quick Wallingford and plays such as one called Within the Law. In other words, smart and clever devices thrill a certain portion of the people, but the gentlemen who are responsible for that output of literature and drama have not found anything in the way of devices or smartness equal to what is done, not by Get Rich Quick Wallingford, but by the government of the Dominion of Canada.

Mr. MARCIL: The hon. gentleman has evidently given considerable thought to the act of 1915. That was not a mandatory, but a permissive act. The government of Canada at that time took over a number of branch lines in the east and many others it discriminated against and left out. What applied then, I suppose, will apply now.

Mr. GEARY: I am sorry I did not make myself quite clear, and I am glad of the opportunity of making this point as clear as I can. The act of 1915 took care of two in-

dependent lines which the government had then in mind to take over.

Mr. MARCIL: There were several lines—a dozen.

Mr. GEARY: There were. That was the point I was trying to make and I am obliged to the hon. member for calling it to my attention once more. All the lines attached to the Intercolonial railway when that act was under discussion were well known to the members of the House who were discussing them. That is why the members of the House were willing to entrust to the government the privilege of buying or leasing any of those lines up to 200 miles in length on condition only of reporting their action to this House. But the House was equally determined that the government railway should not enter into any new construction exceeding twenty-five miles in length and that it should do so to the extent of twenty-five miles only if this House was called upon to pass the money for that construction.

Mr. MARCIL: They were not all taken over. Some lines two hundred miles in length were left out altogether. The Gaspe railway, which is two hundred miles long, was left out.

Mr. GEARY: As the hon. member says, the act was permissive. I understand that since 1915 none of those lines has been taken over, but I do not know anything about that. It was quite within the option of the government to take over those lines existing in 1915 touching the Intercolonial or the Prince Edward Island railway in the four provinces, namely, Quebec, New Brunswick, Nova Scotia and Prince Edward Island; that is, while the roads were under the management of the government as government railways being operated under the Government Railways Act.

Mr. CAHILL: Does my hon. friend contend that the Rouyn railway should not have been built?

Mr. GEARY: I am not discussing that.

Mr. CAHILL: Does he contend that the road is to cost more under this scheme than it would under any other scheme of construction?

Mr. GEARY: I am not discussing that phase.

Mr. CAHILL: Then what is the complaint?

Mr. GEARY: I have tried designedly to avoid any discussion as to the merits or demerits of the road as a road. I am taking up only the question of the government by order in council doing something which it had no authority whatever to do.

Mr. CAHILL: A question of morals.

Mr. GEARY: As to the chronology of the matter, in some way this became noised abroad and a question was asked in March of last year. In reply to that question the Minister of Railways said that the Canadian National Railways had suggested to capitalists that if they would build this road it might be leased. We know nothing further of it than that. The capitalists did not appear. Certain capitalists, so-called, representing bond-holders, have taken the place of directors, so we are told, on the Rouyn Railway Company board; but as construction men, railroad men, they do not exist. They are used only for convenience as representing the money that has gone into the railway and these people representing the bondholders or trustees for the bondholders are no more capitalists constructing the road than any other purchasers of bonds issued by the Dominion government in respect of construction. That was in March and things were then pretty well under way. Hon. members may draw their own inferences from the state of fact which is disclosed by the chronology of the matter. There is the reply made by the minister. On April 3, 1925, shortly after the minister had spoken, the Rouyn Railway Company was incorporated by the legislature of the province of Quebec. There must have been a great deal of discussion before that; the matter must have been pretty well completed and ready for crystallization if it was not already crystallized. This House was then in session, it sat until June 27, and on April 3 the railway company had got its incorporation. The minister had considered the proposal to build the road and everything was in train to bring the matter before the House for discussion if there was such a great hurry about it. There was sufficient time to have it taken up in the House if the government deemed it so urgent. On June 9 it was reported to the Canadian National Railways that negotiations had taken place with the Quebec government as to its grant of free lands and money guarantee and as to the guarantee with other parties of $20,000 per month. So that the whole thing was ready for consummation and it could have been brought before the House if it had been the intention to deal with it in the normal, legal way, and to have it incorporated in a bill which could be subjected to discussion. Other branch lines

were discussed during last session and this one could have been discussed also. But that was not done; the thing was allowed to drag through the summer until the election came on. The election had been in the air and on September 5 the Prime Minister was talking about railways on a high plane while at the same time he knew that he was on the eve of putting through this order in council. And will hon. members recall how busy the government was at that time. Although the Minister of Customs (Mr. Boivin) had been appointed some weeks before that, he did not find it possible even to enter his office, and as a matter of fact he did not do so until the first of November. Yet there was time to put this through. On September 14 there began a series of meetings and there was a great rush. The Rouyn Railway held its famous little meeting at which it was said that such and such might be the case. "Here is a form of lease", they were told, "and if you approve an arrangement can be entered into". And so on. On the 21st the Canadian National Railways met and accepted the proposition and on September 26 the cabinet met and presumably discussed this important matter in its different phases and passed the necessary order in council. That was the time, between September 14 and September 26, when this government was so immersed in political business and election affairs that it could not attend to the ordinary business of the country. So busy were they that the Minister of Customs was unable to enter his office. Still there was time to hold these various meetings, to call the Privy Council together, and to issue a solemn order in council providing that this railway, so much desired by someone, should be put through, denying in this way the right of parliament to discuss the matter on its merits. The general election was little more than a month in the future. Is it not reasonable to suppose that that fact entered largely into consideration?

5 p.m.

It is a matter which perhaps it is difficult to bring clearly to the attention of the House. I have endeavoured to assure my hon. friends opposite that I am finding no fault with the acquisition of railways in the four provinces contemplated by the act of 1915; nor am I here finding fault, although there may be room for discussion, with the building of the Rouyn railway. I might or I might not agree with it; I am not given an opportunity to consider the matter. I am simply directing the attention of the House to this one point, that this government which, in season and out of season, has been so indignant over the procedure of the Conservative party on former occasions in issuing certain orders in council, has now had uncovered one of its deeds wherein, to the extent of $5,000,000, it has allowed public money to be spent without giving parliament an opportunity to discuss the advisability of that expenditure; and this, not because there was any hurry, but solely and for reasons best known to itself, with a view to depriving this House of its proper opportunity for discussion. The rights and privileges of the House of Commons were flouted in that transaction as they have never been flouted before. I submit this to the judgment of the House with a good deal of confidence; I submit it to my friends to the left, who are interested in branch lines and who can see for themselves how these things can be done by this government when it suits their convenience. The thing is not only wrong in itself; it indicates what this government will do and must do in the circumstances in which it finds itself. It has existed for four years by barter and compromise and is determined to go through any number of weeks and months by means of subterfuge and barter and compromise once again. The government in justice to itself, to redeem by one grand act all the faults of which it has been guilty, should resign. That would be the one redeeming feature of its career. It has not the confidence of the House; it has not the confidence of its supporters. And surely it has no moral strength or character, for it is prepared to go to any length to retain the place it now occupies.

One looks across at the scattered remnants of the contingent from Saskatchewan and pictures those gentlemen, like the song of the nine little niggers, one disappearing every day. I can see those hon. gentlemen coming to their seats each one looking at his desk-mate and wondering, are you the next? This government has decided to use the fine province of Saskatchewan as a borrow-pit from which it can draw material to shore up up its tottering structure. It is reduced to all sorts of expedients. In the course to which it is condemned it cannot function nor govern. I repeat, it has not the confidence of the House and hon. members by their votes should declare that it has lost also the confidence of the people and should resign from office.

Mr. G. B. NICHOLSON (East Algoma): In rising to say a few words in this debate it is not my purpose to enter into any discussion of the questions generally before the House but to confine myself almost exclusively to the subject which has just been

considered by my hon. friend from South Toronto (Mr. Geary), the matter of the Rouyn railway. And at the outset may I say that I have no intention of discussing the advisability or otherwise of building that railway from O'Brien on the Transcontinental to the township of Rouyn. I do not intend to deal with the question whether there should be a railway from that part of the country or whether railway connections should be secured in some other way, because I look on that aspect of the subject as one that is particularly of interest to the province of Quebec, and I have no right and no desire to suggest what they shall do in the matter of providing railway facilities through their own province. The aspect of the subject with which I wish to deal is the relationship of the government of Canada and of the Canadian National Railways to this whole proposition.

My hon. friend from South Toronto, referring to the opinion which the government secured as to whether this railway should be built or not, told us that the Minister of Finance had made the statement in the House the other evening that they had obtained the views of counsel on this matter. In looking through the papers that have been made available I have not been able to find any such opinion. The opinion of counsel may have been asked as to the merits of the question and as to whether the construction of this railway by the Canadian National Railways would be a good thing or not. But I have some doubt on that point. Until I see the documents themselves I will not conclude that the general counsel for the Canadian National Railways gave his opinion in that regard. My view is that the documents in connection with the case, set forth in Hansard, were submitted to him and that he, good lawyer as he is, going into the matter carefully, gave to the government his opinion that perhaps by this circuitous method they might be able to do something that otherwise they could not do and keep within the law. That is about as far as the general counsel for the system would go or could be expected to go in the matter—simply to deal with the legal aspects.

But coming to the position of the government in relation to the case, let us for a moment observe what the Minister of Finance (Mr. Robb) said in his effort to explain and defend the attitude of the government.

> Hon. members will recall that away back in 1922, 1923 and 1924, there were reports of great mineral development in the northern part of Quebec. In 1923 and 1924 particularly, reports came to us of rich finds in that part of the country, and representations were made, not only to the Canadian National Railways, but to other railways, that they should extend a line into that district. In 1924, Mr. Timmins of the Hollinger Mines approached the President of the Canadian National Railways urging him to build a line into that section of the country. A survey was made of it and the railway directors and the president were not satisfied that the building of a road in there would be a profitable venture.

That was after the matter had been before the government and the country during 1922, 1923 and 1924, and again in 1925. Then we find him saying a little further on:

> Shortly afterwards another discovery was made of the Noranda mines and again they were approached to build a road. Representations were such that engineers were sent there to make a very careful survey of the possiblities of that section of country. It was discovered that there were very rich mineral deposits and there was a rush not only of miners, but of railways to get into that district. It is well known that an Ontario railway that has been made very profitable to the province at large by going into the mining country was anxious to build a line.

Now, at this point may I just ask why the government of Canada should have been interested in that at all. It was not a matter for this government, it was not a matter for this parliament. It was a matter between the Canadian National Railways and the government of Quebec. Those who followed the press reports during the discussion of the question will recall that the Premier of Quebec declared the readiness of his government to do what was their right and arrange railway communication for themselves.

But passing from that altogether, let us assume, if we may, that it would have been wise for the Canadian National Railways to have had a branch line into Rouyn district. First, let me say that it was for the parliament of Canada to determine that, having all the facts before it. I am not going into the legal aspects at all, more than to say that before a branch line is built by the Canadian National Railways or for them, creating an obligation on the Canadian people, parliament is the one and only body to decide what shall be done in the premises. But taking the whole scheme as we now have it, and, let me say again, assuming that there was justification for building that railway, let us see what method is followed in providing the means, and so try if we can to get at what the government may term its justification for the course it took. I am going to ask the House to bear with me while I read a few of the extracts that have already been put on Hansard. I do so for the purpose of connecting what I wish to say in regard to this. The first is:

> Extract from minutes of meeting of the Board of Directors of Rouyn Mines Railway Company, duly held in the city of Montreal, on Monday, the fourteen day of September, 1925.

There is just one thing wrong with that. The title should be "The Campaign Funds Company of 1925," not the Rouyn Mines Railway Company; because, Sir, as is disclosed here, and as has been tacitly admitted by the only minister who has so far ventured to offer any reasons whatever for the action of the government, it never was the intention that this company should build or own the railway; the intention was that it should be a branch line of the Canadian National Railways. Then why incorporate this dummy company at all? Simply because in September there was evidently a conviction that a railway must be built at once, and funds must be provided at once, notwithstanding the fact, as the minister has already said, that the whole question had been before the government, before the country and before parliament since 1922. Let me continue this extract from the minutes:

The meeting was informed that arrangements can, it is expected, be made for the lease to His Majesty the King in the right of the Dominion of Canada, herein called the government, of the line of railway intended to be constructed by the company,

And so on. Then I find in the draft lease submitted at that meeting the following recital:

Whereas the lessor was incorporated by an Act of the Legislative Assembly of the Province of Quebec, being chapter 110 of the acts passed in the year 1925, with power to construct and operate the line of railway hereinafter mentioned, and to make the issue of bonds.

And so on. Then follows this recital:

And whereas the Minister of Railways and Canals (hereinafter called the minister) is of the opinion that the said line of railway is a line of railway which can more conveniently and usefully be operated as a part of the Government Railways system and one which may be deemed necessary or desirable for the more efficient operation of the said system.

Let me ask, Mr. Speaker, if it was the opinion of the Minister of Railways and Canals that the railway could be more efficiently operated as a branch of the Canadian National Railways, why did he not come to parliament last session, submit all the facts and ask for authority to build the railway in the manner in which any branch line of the Canadian National Railways should be built? Then follows this recital:

And whereas the lessor pursuant to section 8 of the Act incorporating the lessor proposes to create an issue of not exceeding $5,000,000 of thirty year 4½ per cent first mortgage bonds.

My hon. friend the member for Pontiac (Mr. Cahill) addressed a question to the hon. member for South Toronto (Mr. Geary) as to whether this railway was going to cost more built under the present method than if it had been built by the Canadian National Railways in the regular way. Well, I propose to show that the whole purpose of the plan set out in these amazing documents was to provide a means to mulct the country of $5,000,000 to do something that in the end is worth only $2,250,000 and no more. Here is the initial step in the course that the government intended to follow in the name of the Canadian National Railways. Let me read the recital again:

And whereas the lessor pursuant to section 8 of the act incorporating the lessor proposes to create an issue of not exceeding $5,000,000 of thirty year 4½ per cent first mortgage bonds.

What for? What did they want this $5,000,000 of bonds for? Well, in the very next phrase of the same paragraph of the agreement itself, it is set out that they are going to build a railway that they themselves estimate will cost $3,500,000. Yet they are going to issue $5,000,000 of thirty year 4½ per cent bonds which the people of Canada are going to guarantee, and, mark you, we guarantee to pay not only a rental for that railway, interest and sinking fund, all expenses in connection with the flotation of the bonds, the creation of the trust, and so forth, but as well we must absolutely retire the bonds in thirty years. Now what is that other $1,500,000 for? What was this dummy company going to do with it? It is set out clearly: We are going to guarantee $5,000,000 of bonds to construct a line that the Rouyn Railway Company says is going to cost only $3,500,000. Let us see what the Minister of Finance has to say in this regard. Let me say in all fairness to him that in speaking on this question he frankly stated on the floor of the House that he had never even read the lease, and did not know what it contained; he knew practically nothing about it. I am sorry the minister is not in his seat, but I am sure that every man in the House will agree with me when I say that we absolutely accept what the Minister of Finance said, for we have the utmost confidence in his personal integrity, but where the Minister of Finance and every other member of the government is responsible is that they allowed an agreement of this character to receive the approval of the government by way of order in council without apparently knowing what the document contained.

Mr. STEWART (West Edmonton): I did not follow clearly just where the hon. gentleman gets that estimate of $3,500,000.

Mr. NICHOLSON: That is the statement of the so-called Rouyn Mines Railway Company.

Mr. STEWART (West Edmonton): Is it embodied in the document?

Mr. NICHOLSON: Yes, and here is just another evidence, Mr. Speaker, that we have on the floor of the House this afternoon another member of the government responsible for passing this order in council when he did not know what the agreement contained.

Mr. STEWART (West Edmonton): I do not want to interrupt the hon. gentleman, for I do not believe in interruptions, but my hon. friend well knows that many documents pass the government of Canada the full details of which are not in the minds of the ministers who have to take the responsibility. I am not wishing to shirk one iota of responsibility; I asked my question simply with a view to information, as the hon. member had mentioned the point.

Mr. NICHOLSON: I will give my hon. friend the information. Here it is:

And whereas the lessor pursuant to section 8 of the act incorporating the lessor proposes to create an issue of not exceeding $5,000,000 of thirty year 4½ per cent first mortgage bonds (hereinafter called the said bonds) of which it is expected that approximately $3,500,000 will be required to provide for the cost of construction of the said line of railway—

That is the declaration of this so-called company, that they are going to build a railway which they say is likely to cost $3,500,000, and yet they are going to ask the government to provide $5,000,000 with which to do it. The Minister of Finance said that in his judgment the road would cost $2,655,000. I say to the House, assuming the Rouyn railway is a proper line that should be a branch of the Canadian National railway for them to build and operate, the very outside figure the line should cost, if constructed under proper conditions, would be $50,000 a mile, or $2,225,000 in all, because in the construction of that branch line, what is necessary, viewing the matter from the standpoint of practical railway operation? Nothing more or less than the roadbed, with tracks for 45 miles of railway, and a turn-around terminal in the township of Rouyn. The Canadian National have their terminal at O'Brien and all the equipment and everything else that is necessary to operate this road, and all that is required is the roadbed itself of an ordinarily constructed branch line railway capable of taking care of light power and the ordinary freight traffic that will pass over the road. That is the whole story, and when you put the construction cost at $50,000 a mile, or a total of $2,225,000, you have gone the extreme limit.

I pass on. Without labouring the question or boring the House with any more extracts from the lease, if you will look now at page 1184 of Hansard—

Mr. STEWART (West Edmonton): Does my hon. friend not intend to deal with the provisions against excess cost of construction?

Mr. MEIGHEN: There is no such provision by the government.

Mr. STEWART (West Edmonton): By the company. If my hon. friend does not propose to deal with that, I ask him if it is not a fact that the engineers of the Canadian National railways will inspect and pass upon every mile of the construction cost.

Mr. NICHOLSON: I have no knowledge what the facts are as to—

Mr. STEWART (West Edmonton): I am asking my hon. friend if it is not a fact that such a provision is contained in the document from which he is reading.

Mr. NICHOLSON: What the engineer of the Canadian National railway does has no bearing on this at all. The rental for this railway is not based on what the railway is going to cost. If there was a provision in this contract by which this dummy company would build a railway under the supervision of the Canadian National railway engineers, and the Canadian National railway or the Canadian government would pay an annual rental that would retire the bonds necessary to build the railway, that would be an entirely different thing. But it is not a question of what the railway is going to cost at all.

Mr. STEWART (West Edmonton): Will my hon. friend, instead of arguing around the question, deny that there is a provision that the construction of the line by the company shall be supervised as to cost by the engineers of the Canadian National railway?

Mr. NICHOLSON: Let me say again, there is.

Mr. STEWART (West Edmonton): That is all I wanted to get.

Mr. NICHOLSON: There is a provision that the trustee for the bondholders shall have inspections made to see that the funds provided by the trustee for the bondholders shall be properly expended, but there is nothing in this agreement, until it gets to $5,000,000, that protects the Canadian National railways. It is simply a case of the Canadian government giving a blank cheque for $5,000,000 to a dummy company to build a branch line for the Canadian National railway which the dummy company says is going to cost $3,500,000, which the Finance minister

says should not cost more than $2,655,000, and which I say any practical railway man will tell you will not cost, if properly constructed, more than $2,225,000. There is the point. The rental is not based on the cost of the railway at all. The rental is based purely on this—I will read the paragraph for my hon. friend and then he will know for himself.

Mr. STEWART (West Edmonton): Reading a paragraph without giving the context and sequence may give a wrong impression.

Mr. NICHOLSON: Paragraph (a) of the agreement reads:

During the first and every subsequent year of the said term such sum as shall be sufficient (in accordance with the terms and provisions of the deed of trust or mortgage securing the said bonds) to pay the interest and sinking funds upon the said bonds for the time being issued and outstanding, and all other monies lawfully payable under such deed of trust or mortgage, including accrued interest on bonds purchased or drawn for redemption under the sinking fund provisions thereof.

Mr. STEWART (West Edmonton): Quite correct, but my hon. friend is forgetting it is all hinged on the question of cost.

Mr. MEIGHEN: No, no. Read it.

Mr. STEWART (West Edmonton): It all hinges on the question of cost.

Mr. MEIGHEN: Read it.

Mr. STEWART (West Edmonton): I was listening while the hon. gentleman was reading it.

Mr. MEIGHEN: Not that part. He has not read that part at all.

Mr. NICHOLSON: If my hon. friend wants me to do it I will read the whole agreement.

Mr. STEWART (West Edmonton): I am not going to say anything more. Go ahead.

Mr. NICHOLSON: Let me read again:

And whereas the lessor pursuant to section 8 of the act incorporating the lessor proposes to create an issue of not exceeding $5,000,000 of thirty year 4½ per cent first mortgage bonds—

Mr. STEWART (West Edmonton): I do not want to interrupt my hon. friend; I want him to make his speech. But he is harping on the fact that because $5,000,000 is mentioned the cost must of necessity be $5,000,000.

Mr. NICHOLSON: What I say is that this agreement provides that the rental shall be paid. There is no question in this agreement as to what the railway is going to cost, the amount of money it is going to get. There is a distinct undertaking as to the rental that is going to be paid, and such rental is to be sufficient to pay the annual interest and sinking fund on $5,000,000. There is not one single word in the agreement, from A to Z, that provides for anything else.

Mr. STEWART (West Edmonton): I beg your pardon.

Mr. NICHOLSON: I will endeavour to get through before six o'clock, and I hope the minister will take the floor at eight o'clock and undertake to explain this transaction.

Mr. STEWART (West Edmonton): I am not able, so far as I can see now, to go on after eight o'clock to discuss the railway question, but possibly I may see my way clear to do so. I will make a point of studying it, and giving a version later on as to the proper interpretation to be placed on the contract and upon everything else in connection with it.

Mr. NICHOLSON: I am delighted to know the minister is at last going to make a study of this contract. I will only say to him that having regard to the financial position of this country it would have been very much better if the minister and the other members of the government had studied it before it was entered into. Now, may I continue. As I said—

Mr. MEIGHEN: Is there anything in the lease which prevents the directors of the dummy company issuing bonds for more than the actual cost?

Mr. NICHOLSON: There is nothing anywhere within the four corners of this document.

Mr. STEWART (West Edmonton): If I may be permitted, that is a very adroit question, but it will not work.

Mr. MEIGHEN: Tell us what the trouble is.

Mr. STEWART (West Edmonton): In plain English—my right hon. friend knows it better than anyone else in this House—that provision is made for the construction cost.

Mr. MEIGHEN: What is the difference in the provision?

Mr. STEWART (West Edmonton): If $5,000,000 is mentioned as the maximum amount for which it can be completed, it does not follow that the cost will be $5,000,000.

Mr. MEIGHEN: Will the hon. gentleman permit me? I know there is provision for supervising the construction cost, but of what value is it unless you hold the directors down against the issue of bonds for more than that amount?

Mr. CAHILL: I rise to a point of order. Is the hon. member for East Algoma making a speech, or is it a debate across the floor? Let the hon. member continue his speech.

Mr. SPEAKER: An hon. member may not be interrupted except with his consent.

Mr. MEIGHEN: Had the hon. member (Mr. Cahill) not better sit down?

Mr. SPEAKER: The hon. member who has the floor has the right to refuse to answer questions if he so chooses.

Mr. NICHOLSON: I am not finding any fault whatever with the Minister of the Interior injecting himself into the discussion, because I submit that the further inquiry is made the more clearly it will be shown that the government, or at least some members of it, knew nothing whatever as to the character of the agreement into which they were entering, and that is the whole point.

The Minister of Finance, following my hon. friend from West York (Sir Henry Drayton) the other night said that he had never even read the lease. I say you can read the lease from beginning to end and you cannot find anything in it except this provision—that the Canadian National Railways will pay the rental, and will redeem $5,000,000 worth of bonds.

Now, I will give another aspect of that in a few moments. The Minister of Finance stated in reply to the hon. member for West York that the total amount of money that had been spent on this railway up to January 31, 1926 was $130,000. But if you look at the document you will find this:

Extract from minutes of meeting of the board of directors of the Canadian National Railway Company.

Held in the Company's offices in the city of Montreal, on Monday the 21st day of September, 1925.

The meeting was informed that the Rouyn Mines Railway Company—

Otherwise "The 1925 Campaign Funds Company"—

—has been negotiating for a loan—

Mr. STEWART (West Edmonton): Mr. Speaker, may I interrupt the hon. gentleman? I take exception to a statement of that kind. I do not think that any hon. member has a right to make such a statement and get away with it without some exception being taken. Will the hon. gentleman inform the House where he obtained the information that campaign funds came out of this company?

Mr. NICHOLSON: If my hon. friend will bear with me for just a very few minutes I will state all the facts and then he can draw his own conclusion.

Mr. STEWART (West Edmonton): Drawing a conclusion is quite a different thing from making an alleged statement of fact. I take very serious exception to a statement of that character coming from the hon. gentleman.

Mr. MEIGHEN: I do not know what rule prevents the hon. gentleman from describing the dummy company in any language he likes, unless members of the House are members of the company.

Mr. NICHOLSON: I will simply read what took place at a meeting of the board of directors of the Canadian National Railways:

The meeting was informed that the Rouyn Mines Railway Company—

And I again designate it as "The 1925 Campaign Funds Company," absolving my hon. friend absolutely from any knowledge whatsoever of what took place or was taking place.

The meeting was informed that the Rouyn Mines Railway Company has been negotiating for a loan through Dillon, Read and Company of New York of up to $2,000,000 to be secured by the pledge of, not exceeding $3,000,000 of its thirty year, 4½ per cent first mortgage bonds—

Now the company issuing these $5,000,000 bonds were just waiting to get their trust deed completed and the trustee appointed in order that those bonds should go on the market. They required, as the Minister of Finance stated in his speech the other evening, $130,000 to carry on their work until January 31, 1926, but they were in such a tremendous hurry for $2,000,000 on the 14th of September that they could not wait until they could get the trust deed completed; they could not wait until the bonds could be put on the market. They had to get a special guarantee from the Canadian National railway board of directors, not from the government of Canada, for $2,000,000.

Mr. MEIGHEN: They had the government guarantee.

Mr. NICHOLSON: Yes. I am coming to that in a moment, and I will show the position the government took in relation to it. Now we come to a meeting held on September 26, 1925 in the office of the Privy Council in Ottawa:

The committee of the Privy Council have had before them a report, dated 25th September, 1925, from the Right Honourable the Prime Minister—

Now, Mr. Speaker, I want you to note this. The report is not from the Minister of Railways at all; it is from the Prime Minister acting for the Minister of Railways. And then is set out the whole of the terms of this lease, and a copy of what was presented to

this other meeting in the city of Montreal by this railway company, so-called, on 14th September, 1925. And what do we find in connection with that? The Mines Railway proposed to create an issue not exceeding $5,000,000 worth of bonds, and so on; and the position is recited again by which the government of Canada, not the Canadian National Railways, will pay the interest and sinking fund on these bonds. It goes on further to say:

That the guarantee by the Canadian National Railway Company of the loan to the Mines Railway has been agreed upon in the general form hereto attached marked "F".

I submit to my hon. friend that he should review these circumstances. Here is a railway proposition which has been before the people of this country, and particularly before the government of the province of Quebec, since 1922, for the construction of a railway from a point on the Canadian National railway or the Transcontinental railway into the township of Rouyn; a railway that the government of the province of Quebec had a perfect right to construct at any time they desired. The whole matter before the government of Quebec was one of negotiation, as every hon. member who has been following the public affairs of this country knows, between the government of the province of Quebec and the officers of the Canadian National from 1922 onwards. The House of Commons was in session until some time in June last year. These matters were still under consideration, but on the 14th of September a condition of urgency apparently was reached. What was it that happened in the township of Rouyn or in any other part of that north country in September last to make it so urgent that this railway had to be built at once? Does anybody who knows anything about that north country know of anything special that took place? There was nothing more than has been happening from day to day since the mineral discovery was made in northern Quebec; nothing whatever. There was nothing exceptional in connection with the controversy over the question whether the Nipissing Central Railway should build in there, or whether the Canadian Pacific Railway should build. But all at once it became so urgent that a company had to be formed. What was the company going to do? Let me repeat: they were going to build a railway which they themselves said was to cost about $3,500,000. They had bonds guaranteed by this government for $5,000,000, under a lease passed by the order in council on September 26. So urgent was the case that on September 26 they had to do something.

[Mr. Nicholson.]

Again let me say they could not wait until they put their bonds on the New York market, could not wait for the trust deed to be completed, but had to go to the Canadian National Railway and get a short term guarantee for a loan of $2,000,000. What were they going to do with it? Work that the Minister of Railways stated in the House the other evening required the expenditure of $130,000 up to the end of January last. Will any reasonable man who knows anything about the borrowing or lending of money believe that the five directors, with a guarantee of $5,000,000 of bonds in their pockets, could not get $130,000 from any bank in Canada, without the necessity of a guarantee from the Canadian National to enable them to borrow $2,000,000 in New York? I will name the five directors mentioned by the hon. Minister of Finance in his speech. They were:

Robert Adair of Montreal; Charles M. Hart of Montreal; Mr. Donat Raymond of Montreal, proprietor of the Windsor Hotel; Mr. Harold Fowler and Mr. Clifton M. Miller, of New York City.

There is no explanation of why this circuitous method was adopted. If the board of directors of the Canadian National Railway felt that it was a good thing that that branch line railway should be constructed and had come to parliament and submitted the matter to us, I for one would have been prepared to examine into the facts and to endorse the proposal if it appealed to my judgment; because I am not one of those who think that the Canadian National Railway should not be permitted to build branch lines. They must build them wherever they are necessary to serve the country and to act as feeders to the National railway. But if they had done that, and if parliament had given them the sanction that it will give in every case where it is necessary, and they had undertaken the construction, what course would they have followed? Is it not a fact that they would have called for tender for the construction of the railway. But what happens under this arrangement? Are any tenders called for by the company?

The next step is that this company is incorporated. It matters not who constitutes the company; it is a dummy from first to last. The whole scheme from begining to end is just a plan to flout this parliament in the first instance. But what happens? The company goes ahead and builds the railway. No one knows anything about it. Then they proceed to the the approving of the trustees and bondholders, and all the vouchers for the work that is to be done are made out here. In other words, this means the turning over

of the construction of the forty-five miles to whoever the dummy company might choose as their contractor without competition. It is provided in this agreement—

Mr. CAHILL: Does my hon. friend know who the contractors are?

Mr. NICHOLSON: No, I have no knowledge of the contractors. I am not in the secrets of the dummy company. Neither am I in the secrets of the government, if they know who the contractors are. But let me say that under the provisions of this agreement all these people have to do is to go ahead and build the railway themselves, and to do as has been done from one end of Canada to the other—fleece this country by building the railway and constructing works which cost two or three times what they should. Some day we may have an opportunity of going into that phase of it.

Then I deal with another point. It is being paraded as a protection for the National railways that the government of the province of Quebec is going to provide $50,000 a year; and certain guarantors, who I believe are the officers and directors of the Noranda mine, are going to guarantee $20,000 a year to provide for any possible deficit there might be in the operation of the Rouyn railway. That I think is a fair statement. It is thought that perhaps under normal conditions, and operated as a railway usually should be operated, there might be a deficit, and to provide against that the government of Quebec agrees to contribute $50,000 a year and the Noranda mine agrees to contribute $20,000 a year. But what precaution was taken to make it certain that the guarantors would never be called upon to put up a cent? There is a provision in regard to revenue from freight or traffic. It matters not where it originates, whether in British Columbia, in the Maritime provinces, or any other place, that one-third of the total revenue for transporting freight or traffic from any point on the Canadian National to any point on the Rouyn railway shall be credited to the cost of the Rouyn railway; and vice versa, on traffic originating on the Rouyn railway and destined for points on the Canadian National, one-third of the revenue will be credited to the Rouyn railway. How does it work out? It is impossible to take the whole of the Canadian National railway system station by station and determine what that means. But let us take the city of Montreal as a common distributing centre, and I will refer to three single items to show you just exactly what is meant. Take a carload of sugar shipped from the city of Montreal to the end of the Rouyn railway; the total freight at present rates for a full car loaded to capacity would be $576. The haul of the Canadian National is approximately 700 miles. The portion the Canadian National proper would secure would be $387 and the Rouyn railway $189. The car mileage rate on the Canadian National railway would be 55 cents and the car mileage rate on the Rouyn railway would be $4.20. It is reasonable to suppose a lot of machinery will be shipped into that country if the country develops as we all hope it will. On a carload of machinery shipped from the same shipping centre, Montreal, a distance of 700 miles, the gross charges will be $544. The Canadian National Railways will receive as their share, $362.67, and the Rouyn Mines railway will receive for its forty-five miles, if we assume that the carload is shipped to the end of the line, $181.33. In that case the Canadian National Railways gets fifty-one cents per car mile and the Rouyn railway, $4.03 per car mile. On a carload of groceries shipped from the same centre or an equal distance, the gross charges will be $720. The Canadian National Railways will receive as their share, $480, and the Rouyn railway, $240; or sixty-eight cents per car mile for the Canadian National Railways and $5.44 per car mile for the Rouyn railway.

Let me say in conclusion in regard to that: When you operate a branch line railway connected with any trunk line system, you take into account, first, what the branch line provides and, second, what the trunk line system provides. The trunk line system provides the terminals as the Canadian National Railways have already done at O'Brien. They provide the shops, the supervision, the management, the superintendence, trainmasters, train despatchers and everything else of that kind. The branch line, as I said a moment ago, provides simply the road, passing tracks, and possibly a turning point in the township of Rouyn. In face of that, if you go over the whole list of goods and take for example goods shipped from Toronto, Hamilton, Galt or any of the other manufacturing centres of Ontario; or if you take a carload of coal shipped from Alberta where the haul will probably be two thousand miles; or if you take coal shipped from Nova Scotia—and there will certainly be large shipments of coal into the Rouyn district if it is to be developed, because you cannot carry on a smelting business without coal and coke—what do you find? In every single case the Rouyn railway gets more than eight times

per car mile what the Canadian National railway gets, making quite certain from the start that in the construction of this railway neither of the guarantors will ever be called upon to put up a single nickel of the guarantee; they have seen to it that no such thing as a deficit can ever occur, even though only one or two cars of freight move each way each day of the year. Just stop and consider what that means. It will cost $181.33 for moving a carload of machinery; $189 for moving a carload of sugar, and $240 for moving a carload of groceries forty-five miles. Examine the whole document from A to Z; do what you will with it, and you will find it is nothing more or less than a crudely constructed or drawn together camouflage in an effort to delude the people of this country and to secure what the government had in mind, simply the incorporation of what I said a moment ago, not a dummy railway company, but a campaign fund company for the campaign in the city of Montreal in September last.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. J. G. ROSS (Moose Jaw): Allow me, Mr. Speaker, to add a word of congratulation to you on your re-election to the position which you so graciously and impartially fill and to congratulate also the mover and the seconder of the Address on their splendid effort in putting before us the government's policy, which has been acclaimed with so much satisfaction throughout this whole Dominion and in western Canada particularly.

I would also congratulate the Conservative party on its choice of leader (Mr. Meighen). It had never been my privilege to listen to the right hon. gentleman before coming to this House. I must say that as a debater he has, I believe, few peers; his sallies are delightfully refreshing. And as for advocating the policy of his party in the country, I do not believe that anyone could do it better than he. But that policy was so unpopular in the province which I have the great honour to represent—I am the first person born within its borders to be elected to this House—that not one of the right hon. gentleman's followers was returned. The leader of the opposition scolds the members from Saskatchewan because of their attitude towards the tariff. Let me say that we from that province are here to put before parliament the views of the people of Saskatchewan, and if hon. gentlemen will take the trouble to look into the record of the election of members to parliament from Saskatchewan since it became a province of the Dominion they will find that the people there have elected only two Conservatives to the House of Commons, one in 1908, defeated in the next election, and another in 1911, also defeated in the ensuing election. The next election after 1911 was held in 1917 and neither Conservatives nor Liberals were returned to parliament from the province of Saskatchewan, all the members being Unionists. In 1921 not a Conservative was returned, and again in 1925 not a Conservative. With 21 seats in the last election 16 Liberals were elected, the number being now 17, soon to be increased to 18.

As regards the tariff in Saskatchewan, our people are predominantly against any increase in customs duties. They sell all they produce in the open markets of the world in open competition and the tariff can do them no good whatever. That is the provincial view. But the people of Saskatchewan are first of all Canadians of the highest type, which they proved beyond the shadow of a doubt in the great national and international tragedy of the last decade. They are Canadians and therefore they will make some sacrifice and concede a tariff to the Dominion so long as that tariff is just and in the interests of the country as a whole. We must use a little common sense in relation to the tariff. When anyone comes to the government and asks to have a duty put on a certain article because he cannot produce that article on such a basis as to be able to sell it in competition with similar goods imported into the country, he thereby admits that he cannot produce it in Canada to sell in any other country. So that when a tariff is given to protect that article in order that it may be sold in Canada to any great extent we must look after the home consumer, who is the only one that can buy that article. Several members of the opposition have said that a lower tariff is driving our young people from the farms to the United States. My view is that on account of too high protection they are leaving the farms because they cannot make a decent living; they are driven to our cities, and when they cannot find employment there they go to the United States. The reason is not too low a tariff; it is too high a tariff.

The right hon. leader of the opposition and his followers have said a great deal about a tariff on butter. If we look at that from a common sense standpoint what do we find? Montreal contains one-eighth of the population of the Dominion, not one of whom makes

any butter, but all of whom eat it. Now, as a farmer and rancher, I claim that I have no right to be given a special privilege to charge the people of that city or of any other urban centre in the Dominion more money for what they have to eat.

The right hon. leader of the opposition stated that the press of Saskatchewan is all Liberal. The reason is not that the press of that province has been bought up by big interests; it is that the policy of the right hon. gentleman is not looked on with favour there, and the papers that supported his policy lost their subscribers in such numbers that naturally they died for lack of circulation. In this connection I should like to read a clipping from the Kingston Whig of February 17, 1926:

Politicians and Newspapers

Mr. C. R. McIntosh of North Battleford performed a service for every newspaper when he stood up in his place in the House of Commons on Monday and interrupted Hon. S. F. Tolmie, of Victoria, who stated that Mr. Dunning controlled the newspapers in Saskatchewan, Mr. McIntosh, who owns two newspapers in Saskatchewan, promptly told Dr. Tolmie that no government controlled his papers. It's a habit politicians have—both Conservatives and Liberals—this talking about "controlled" newspapers. We heard a lot about it during Union government days. It's all a myth. The day of the politically controlled organ is gone, never to return. Most newspaper men value their independence as much as a member of parliament does his.

Already this session we have heard a great deal about Maritime rights. The only thing I have been able to gather since I have been in the House respecting Maritime rights is that certain people from the Maritime provinces want a special rate on coal; I have not heard that they want anything else; I think that is their trouble. Just a little common sense there, too, at the present time will help us to fully appreciate the situation. The other day I ascertained that anthracite coal in the city of Montreal was worth to the consumer $26 per ton, while coke was worth $17 per ton. The all rail freight rate, I believe, is $4.50 from the Maritime provinces to Montreal. If the mine operators of the Maritimes cannot pay the freight rate with the prices for coal and coke now prevailing in Montreal, a lowering of that rate will never do them any good.

We have also heard a good deal regarding coal from our Alberta friends. Alberta coal is good coal; no doubt about that. But as a man born and brought up in Saskatchewan, and having lived there most of my life, I can say that in order to keep warm during the winter we have to burn quite a lot of coal. What has been our experience? We buy what is known as Pennsylvania hard coal—when we can get it—at double the price of Alberta coal. I do not think that the people of Saskatchewan have been foolish for thirty years in using Pennsylvania coal by preference. I think Pennsylvania anthracite is usually worth double the Alberta product; and if the coal operators of Alberta are given a special freight rate on coal to Ontario I cannot see that they will ever be able to sell their coal there at an even price with Pennsylvania coal, which they would have to do if they got such a rate.

We have no right, as I see it, to force the railways to grant a special rate on coal. I do not see why the people of the Dominion should pay part of Ontario's coal bill. The suggestion has been made by the government of Ontario, I believe, that a third of the cost over and above the $7 rate be paid by Ontario, a third by Alberta, and the remaining third by the Dominion government. If we start to put a special rate on Alberta coal or on Maritime coal transported to the centre of Canada, then, it seems to me, everybody in the Dominion has the same right to have the coal rates lowered. Not only so, but I have as much right to ask that apples be shipped from Ontario, or lumber from British Columbia or fish from Nova Scotia to Saskatchewan at a special rate as the coal man has to seek a special rate on coal.

Mr. McGIBBON: What about wheat?

Mr. ROSS (Moose Jaw): Wheat is being shipped on a rate set by statute, which neither you nor I have any right to discuss.

Mr. McGIBBON: The loss is $6,000,000 a year.

Mr. ROSS (Moose Jaw): If that is the case, and you will project the wheat rate on the same basis from Fort William to Toronto, it will bring your coal rate to $10.50 a ton.

Just a word respecting our freight rates today. Everybody seems to take great delight in jumping on the railways, both the Canadian National and the Canadian Pacific. It will no doubt interest hon. members to know that our freight rates are lower than those in any other country in the world. The freight rate in Great Britain per ton mile is equal to 2.84 cents; in Switzerland to 6.20; in Norway, 4.47 cents. In Australia it ranges from 2.8 in the commonwealth to 3.20 in South Australia, 3.94 in West Australia and 2.79 in New South Wales; in United States 1.116; in Canada 1.019. The Canadian National is .968 cents—the lowest freight rate in the world. And still we ask to have the freight rates reduced here. Hon. gentlemen

opposite are always endeavouring to bolster up industry in order to keep people employed in this country. I would like to give them a figure or two regarding the railways. The assets of the Canadian Pacific railway alone in this country are worth more than the national debt of Canada. The payroll on all Canadian railways in the year 1924 was $231,517,863; there was in addition expended in Canada on materials, supplies for the railways, and other expenses, $146,077,729, or a total spent by the railways in Canada in wages and the buying of supplies of $377,595,592. That I claim is an industry that should be looked after by the people of Canada.

The right hon. leader of the opposition (Mr. Meighen) and his followers went from one end of this country to the other in the last campaign, and they have been talking the same way in this House since they came here, saying that the trade of the country was declining, industry was at a standstill, people were leaving the country, business was not good at all, and yet Sir Henry Thornton picked out that kind of a year to show a surplus of some $32,000,000 in revenue over operating expenditure on the lowest freight rate in the world. Either the right hon. leader of the opposition and his followers were misrepresenting business conditions in Canada, or Sir Henry Thornton must be little less than an angel in their estimation at the present time.

I do not wish to take up much time in this debate, but before taking my seat I wish to say a word or two in regard to what is going on in this House at the present time. The system of government we have in Canada is what we call representative government. Members are elected to this House to represent and voice the will of the people. The people of Canada, through their duly elected representatives, have said that this House should adjourn so that cabinet ministers might be elected to the government chosen by the duly elected representatives of the people of Canada. Every member of this House will have an opportunity to speak to all the measures mentioned in the Speech from the Throne when they are brought down to this House. Then why do the opposition delay? They delay because they are afraid to face the issues in the Speech from the Throne. They will go to any length, moving amendment after amendment, in an endeavour to beat this government so that the measures outlined in the Speech from the Throne shall not become law. They know there are men within their own party who dare not vote against certain measures in the Speech from the Throne, and I want to say through you, Mr. Speaker, to the right hon. leader of the opposition that he who for political advantage endeavours to make impotent the parliament of Canada and flouts the will of the people, as expressed through their duly elected representatives in this House of parliament, will pay, and pay dearly, when the people of Canada have a chance to deal with him.

Mr. BAKER: May I ask the hon. gentleman a question? He said it was the high tariff of Canada which was driving people from this country to the United States. If that is the case how is it that the tariff of the United States, which is twice as high as ours, is not driving people from that country to this?

Mr. ROSS (Moose Jaw): If the United States have a much higher tariff than we have, at all events they sell their goods much cheaper, and they can sell their goods in this country much cheaper than our own manufacturers do.

Mr. BAKER: Because they have a higher tariff.

Mr. ROSS (Moose Jaw): Just to give you an instance, the other evening when the former member for Regina, Mr. Darke, was speaking of the Ford car, he was questioned by an hon. gentleman opposite. Now our tariff on the parts that go into a Ford car is around 25 per cent, and I believe the total amount collected on the parts of a Ford car entering this country would amount to about $25. But the extra cost to us of a complete Ford car in this country is $150. In Saskatchewan we have to pay $150 more for a Ford car than they pay right across the line to the south of us. If the people who want tariff protection in this country would ask only for the tariff protection they need, you would find that that extra $125 paid by the people of Canada for that Ford car would be spent in buying other articles made in this Dominion, thereby helping other industries.

Mr. E. A. PECK (West Peterborough): Mr. Speaker, I rise with some diffidence to address myself to the motion and amendment before the House although I realize that you, Sir, will accord to me the same kindly consideration which you are in the habit of extending to all new members of this House. One may be accustomed to address local audiences, but I realize that now I am a member of and addressing myself to the supreme assembly of this country, an assembly composed of members resident for the most part in the ridings which they represent, assembled

here from all parts of the Dominion to deliberate on matters affecting the welfare of the whole of Canada, and, if necessary, to crystallize their views into the form of legislation. It is only natural to expect that a gathering such as this, representing all the various sections of Canada and gathered here from sea to sea, as the scroll over the entrance to this building states, will have divergent views. They represent different interests, different occupations, and necessarily there will be divergencies of opinion. It is our duty when we meet here to discuss fully all the questions which may possibly affect Canada, and to do so there must be the fullest freedom of debate.

The debate on the Address has been a feature of our proceedings ever since parliament was established. It answers a useful purpose. It gives us an opportunity of stating our views and of hearing the views of those who do not, perhaps, agree with us. There should be no limitation of that debate unless limitation becomes really necessary. It has been suggested that by carrying on this discussion we are obstructing, but we are in no way preventing the carrying on of public business. The government has expressly stated that it does not intend to bring down any more business until March 15; and so if we wish to continue exchanging our views we are in no way preventing the carrying on of the business of the country. In that connection I regret to see introduced the amendment calling for the previous question to be put. Under the circumstances it answers no useful purpose. If important measures were being held up by reason of this debate there would be some reason for checking discussion. But no such condition exists; and it is unfortunate that, by reason of that amendment, a suggestion should go forth from this assembly that there should be any restriction of the fullest discussion of public matters.

We have an unusual condition in the present interesting parliament—the fact that the government which is endeavouring to carry on is a minority in the House. In the former House the Prime Minister had a following, I believe, of 125. He expressly stated that he had not a sufficient following to enable him to put into effect the policies which he wished to have adopted. Having gone to the country he comes back with a far less number of supporters—to be precise, only 101—and seeks to carry on. His only salvation is to turn to the members of the Progressive party for support. As has been stated in the House, he has had several interviews with some of the members of that party, and after some discussion a very loose agreement has been arrived at—in fact it is scarcely to be called an agreement at all.

As I understand that agreement, it contains three parts. It starts off with the statement on the part of the Progressive party that it has no confidence in Mr. King's government, and that any support the Progressives see fit to give to the government is not to be construed as an expression of confidence in it. And then, as I gather, another feature of the agreement is this: It is not intended there should be a departure in any respect from the principles to which the Progressive party are wedded. In no way is it to mean an abandonment of the views which the Progressive party have expressed in the House; if any party is to give way it must be the Liberal party. In the third place there is this understanding, I believe, with the Progressive party: It will only support the government as long as the measures introduced are satisfactory to it. That is a very loose agreement. It must be very unsatisfactory to the Prime Minister that he can secure no better treatment from the Progressive party than that which I have indicated. Well might the Prime Minister, as time goes on, say in the words of the psalmist: "I am in jeopardy every hour. Every night I make my bed and water my couch with my tears."

Now, Mr. Speaker, where does this lead us to? It leads us to the conclusion that when the House reassembles on March 15, Progressive measures are to be considered first. The government is to continue to ride in the government car, but the man at the wheel is to be the hon. member for Brandon (Mr. Forke); he is to direct the course which the car will take. Now, I am not going to say that will necessarily be a bad thing. I do not know altogether the views of the Progressive party. Part of my constituency, which was taken out of the former riding of East Peterborough, was represented in the last parliament by a Progressive member, and there are several Progressives now in the present riding, many of whom gave me their support. So far as the Progressive party is concerned I have come to parliament with a fairly open mind. My experience tells me that there are generally two sides to every question; and when I find that the Progressive party was composed in the last parliament of sixty-five members—many of whom had broken away from former political affiliations to assist in forming that group—I cannot but come to the conclusion that there must be something in the Progressive movement. Therefore, speaking personally, I am prepared to give fair consideration to any of the measures that

may be introduced on behalf of the Progressive party, without giving any assurance that I will accept them and support them.

But there is this to be borne in mind: the Progressive party does not pretend to represent the whole of Canada. With two exceptions the Progressive members in the present House all come from the western provinces and naturally represent western views. But they are only twenty-four in number, a trifle under one-tenth of the representation in this House, and presumably they only represent about that percentage of the people of this country. It may be said by them that they are endeavouring to represent all the people of this country engaged in agricultural pursuits. Admitting that for the sake of argument, it still follows that they only represent about thirty-four per cent of the Canadian people. Now I want to say something, Mr. Speaker, on behalf of the other 66 per cent, composed to a very great extent of persons engaged in manual work, persons who are dependent upon industrial employment to enable them to earn the wages necessary to support themselves and their families. I come from a riding which is about two-thirds urban, and one-third rural, and I desire to speak for a few minutes on the subject of protection, which has been discussed so much in this chamber since we met last month.

I wonder if I might venture to say a word or two about the conditions in the city of Peterborough at the time of the election and for some time previously. There was considerable depression in the city, and to be truthful I must say there were depressed conditions not only in the city of Peterborough but in all other urban centres in Canada, I believe, with one or two exceptions. Yet I realize that these conditions can be improved by the adoption of a better protective system than the one now in vogue in this country. There are several factories in the city of Peterborough which require protection. They are exposed at the present time to undue and unfair competition with foreign goods imported into the country and manufactured under conditions which no respectable workman in this country should be subjected to. The depression at any rate exists, and prior to the election some of those factories found it necessary partly to close down and in some cases to work half time. Many men were out of work and times were very hard in Peterborough. Frequently I would meet a man and he would ask me: "For heaven's sake, can you get me a job?" There was no job to be had for him. I am sorry to say.

[Mr. Peck.]

In connection with and as a result of that condition, many of the people of the city of Peterborough found it desirable to go to the United States and take their families with them. I could give many instances during the few months preceding my election when my attention was particularly directed to that sort of thing. There was one man in whom I was particularly interested, a man I had known for many years, who was born in the county, brought up there, married, with three or four children, a strong, able-bodied middle aged man, able and willing to work. He hunted round for six months but could not get a job. Finally he went to the States, came back to Canada, reported that he had a job for himself and one for his eldest boy. He sold the little house which he had been given time to pay for; he went away, and probably will never return. I met another man the other day and asked him about his boys. "Oh," he said: "My four boys are all gone and I am left alone." I asked him, "How are they getting on?" He said: "They are over in the States and doing pretty well." There are many cases of that kind. The matter became serious, and as the election approached people became aroused and awakened to the condition of things, realizing that the failure to put up a proper customs tariff against the importation of goods which we were capable of manufacturing in Peterborough was causing the trouble in that city. There was no undue or unfair propaganda, as was suggested by the hon. Minister of Public Works (Mr. King) in this House the other evening. The facts were plain, and the people realized them. There were men out of employment and there were many cases of people going to the States. It was not necessary to appeal to the people; they appreciated the seriousness of the situation. They appealed to me, I may say, to run in the election and to carry their burdens and present them to this House. What happened? The case was very ably presented for the Liberal side by the then member, a man of great ability and force, a man very well known to this House, I dare say, because in the last parliament he was Deputy Speaker. He had been returned for that riding in 1921 with a majority of over 2,000, and he was defeated at the last election by nearly the same figure. He presented all the stock arguments of the Liberal party. He pointed to the fact that the Canadian dollar was worth a whole dollar in New York. He dwelt upon the favourable balance of trade between Canada and foreign countries. He asserted with some force that the government

had reduced the taxation of the people. But somehow or other all those assertions did not seem to influence the result; the people were against him. It just shows the folly of endeavouring to prove such and such a thing to be true by statistics. The statistics were there, and his case looked all right on paper, but the machine would not work. The statistics alone did not bring employment to the working people.

And it was not merely in Peterborough that the protectionist principle was adopted by the people. The rural portion of the population in West Peterborough is not particularly antagonistic to the protectionist principle. Nearly half the agriculturists in the rural portion of the riding voted for the Conservative candidate. Not merely West Peterborough, but almost every other riding in Ontario seemed to adopt that protectionist principle and returned Conservative candidates by large majorities. You know, Mr. Speaker, that out of 83 members for the province of Ontario 69 are seated on this side of the House. The same thing happened in other provinces. The maritimes were very strong for the protectionist principle; Manitoba came back into line; British Columbia gave us ten out of fourteen, and Quebec is coming back coyly. That province is Conservative at heart and protectionist, and it will be only a matter of time before Ontario and Quebec are ranged side by side fighting for protection.

I think I have made a case for the consideration of this question of protection. I am not going into details, but particular instances in which protection is needed have been detailed by other hon. members. I wish to point out, however, that apparently the attention of the government is beginning to be directed to the necessity for doing something in connection with this protective principle. During the four years that the present government was in power prior to 1925, the speeches from the throne failed to refer in any way to the tariff question. Now, in view of the discussion and the expression of opinion by the people on that subject, the Speech from the Throne undertakes to deal with the matter in some way, and this particular portion of it begins as follows:

> My ministers are of the opinion that a general increase in the customs tariff would prove detrimental to the country's continued prosperity and prejudicial to national unity.

If that is supposed to indicate that we on this side of the House are in favour of a general increase in the customs tariff, I for one do not propose to accept it. Speaking for myself, I do not know that a general increase in the customs tariff is required. There are in this country certain industries the nature of which is such that they do not require to be protected by a customs tariff, but there are others which should be protected, and I wish to urge that upon the House. The Speech continues:

> They believe—

That is, the ministers.

> —that in the interest of industrial development every effort should be made to eliminate the element of uncertainty with respect to tariff changes.

This uncertainty with reference to tariff changes is profoundly affecting the country. There is a feeling on the part of people engaged in or proposing to engage in industry that some tariff changes may take place which will be prejudicial to the industries which they are carrying on or propose to carry on. We have all heard the views of the Hon. Mr. Dunning, who, I believe, is about to take his place in this House as Minister of Railways and Canals.

Some hon. MEMBERS: Not yet.

Some hon. MEMBERS: Oh, yes.

Mr. PECK: He must be elected, of course. I presume if he is not elected in the constituency which has been set aside for him by Mr. Darke, he will keep on until he finds some place in which he can take shelter. We all know his views, because he came to Ontario during the last election and gave expression to them. He has the satisfaction of knowing that wherever he spoke a Conservative candidate was elected. He expressed the view that there should be a reduction in the tariff and a similar idea was given expression to by the Hon. Vincent Massey—a great friend of the Prime Minister—who, it is suggested, is also going to endeavour to obtain a seat in this House. There is thus the element of uncertainty and there will be continued uncertainty until this policy of protection is fully adopted by the House and steps are taken to put the tariff on a sound footing.

Then this portion of the Speech concludes:

> A tariff advisory board will accordingly be appointed forthwith. This board will be expected to make a careful study of the customs tariff, the revenue to be derived therefrom and the effect of the tariff and allied factors on industry and agriculture.

That, if the expression is not unparliamentary, is simply passing the buck. The matter is to be referred to a commission and everything will consequently be postponed for another year, or possibly longer. I do not think it is the wish of the people that action upon this tariff question should be postponed;

I believe the people want the adjustment of the tariff to be taken up and dealt with immediately. I do not see any reason why a special tariff commission should be appointed. There are in this House members who are capable of serving on committees and making their own investigations, and I have very strong objection to the appointment of a commission by any party if that can possibly be avoided. Hon. members who are here representing the people are an intelligent set of men, and I am quite sure a committee could be selected from members on all sides of this House who would give this matter fair and impartial consideration and within a reasonable time recommend such changes in the tariff as would give effect to the wishes of the people.

In the Speech from the Throne there are many other matters with which I might deal, but I do not wish to do so now because I do not want to get away from the question of protection; for it is important that that matter should be considered in the interest of the people. I have therefore risen to-night to express in a general way my views in this regard and my hope that a matter of such importance to many people in this country will not be side-tracked even for measures of interest and value to the Progressive party.

Mr. MILLAR: Considering that during the years 1914, 1915, 1916 and until March, 1917, the United States were reaping hundreds of millions of dollars of profit by manufacturing munitions for the Allies and had not a man in the field, while during the same period Canada was paying out hundreds of millions of dollars and had hundreds of thousands of men in the field, is it not a little unfair to point to the fact that conditions just after the war was over were better in the United States than in Canada?

Mr. PECK: I do not remember making any comparison between the United States and Canada. I recognize the fact that the United States by reason of their keeping out of the war so long are in a much better position financially than Canada. We must try to overcome that, but we cannot do so by continuing to buy United States or European goods manufactured by cheap labour. The increase in the value of manufactured goods coming into this country was shown in a recent article in the Financial Post. That article pointed out that although Canada was apparently improving in some respects, the quantity of manufactured goods, imported goods, which we could well make in this country, was increasing. If we could arrange to manufacture in Canada the goods which we require for use by our people, this trouble about lack of employment and all the troubles incident thereto would be avoided.

Mr. MILLAR: Was there not in the hon. member's remarks the implication that conditions were better in the United States than in Canada and for that reason our people were going to the United States to seek employment?

Mr. PECK: There is no question that the United States, which is a tariff country, is prospering.

Mr. ECCLES J. GOTT (South Essex): Mr. Speaker, I presume that as a young member of this honourable body, possessing the average degree of cordiality and fellowship, I should be actuated by a spirit of appreciation to offer to you my congratulations on having again been extended the high honour of the speakership. It is a source of personal gratification when one observes a gentleman so competent and possessing such a high degree of dignity acting in a capacity where grace, fairness and despatch are the outstanding characteristics of a successful term of office. I trust that at the end of the session my expression towards you, Sir, may be equally commendatory. I take this my first opportunity of extending to you and through you to the loved ones who share your distinction my sincere congratulations upon the honour that has been conferred upon you by this parliament, the highest honour within its gift. However envious one might be of your personal capacity, I can assure you, Sir, that there is little of this weakness and no animosity, in my makeup and I trust that any breach of the rules of which I may be guilty you will regard as an innocent offence and not as an intentional violation of parliamentary practice. I trust further that as the session proceeds our mutual relations, if I may venture to say so, will strengthen into something like friendship; and I am sure that, whatever happens, the present parliamentary term will be successful at least so far as a strictly impartial guiding of its deliberations is concerned.

9 p.m.

I fully appreciate the privilege and the honour which I have, as a result of the last election, of representing in this House one of the most progressive constituencies in Canada. My first desire in representing that constituency in this the fifteenth parliament of the Dominion is to correct certain statements that have come from sources unreliable and incredible, and in doing so I accept as an invitation the remark of the hon. gentleman

who leads the remnant of a shattered and discredited government, if it may be called a government, in the person of the Minister of Justice (Mr. Lapointe), to the effect that lavish expenditures had been made for political purposes in the last election. The wail of a defeated party, it has been said, is always audible and to these lamentations there seems to be no end. I am compelled to conclude that it is not in the interests of the party opposite that their inner activities in the last campaign, their expenditures at any rate, should be revealed at this particular time. Even the Prime Minister—I beg your pardon, I mean the Right Hon. Mr. Mackenzie King—made the charge that financial interests were against him in Prince Albert. But taking a casual glance at the result in that by-election one would wonder just how many financial interests had really been at work there. I believe that the Independent candidate has as much reason to make that charge as Mr. Mackenzie King had. Certainly the Independent candidate did not prove to be much of a politician so far as vote-getting was concerned, but he has the credit of being a better soldier; at least military report would lead the average person to think so. I wonder whether I should be ruled out of order if I offered the Liberal party my congratulations on the marvellous victory it obtained on Monday last, a victory which, according to the newspapers, had the effect of bringing even the Minister of Agriculture (Mr. Motherwell) to life, to lead a demonstration in celebration of the event.

The press of western Ontario a short time ago carried an article which, according to the reports, emanated from Dr. C. C. Ross of Hyde Park, Ontario, on January 10, appearing in the Border Cities Star in its issue of January 11 under the heading:

Charges American gold beat Graham: Dr. Ross bitter at London over defeat of Railway Minister.

"American gold" defeated both Premier King and Right Hon. George P. Graham, in their respective ridings, according to an address by Dr. Cecil C. Ross at the convention of East Middlesex Liberals, held in Hyman hall, London. At the meeting, Dr. Ross was nominated as Liberal candidate for the riding, in prospect of another federal election.

To this I say that the vote in South Essex was not purchasable; the vote in South Essex is not purchasable; and the vote in South Essex never will be purchasable. And if the vote in South Essex were purchasable I can assure you that it is the humble opinion of my constituents, particularly my workers, that I, like poor Burgess, would have lost my deposit. South Essex was not won in a day or a week or a month; it was won by the co-operation of the loyal support of fifty organizations. On January 27 I took occasion to write to Dr. Ross as follows:

Dr. C. C. Ross.
Hyde Park, Ontario.

Dear Dr. Ross,

Have you been correctly reported by the press when they say that you say I defeated the Right Hon. George P. Graham by the use of American gold?

Very cordially yours,
Eccles J. Gott, M.P.

House of Commons,
Ottawa, Ontario.

To this I received no reply; Dr. Ross did not even extend to me that courtesy. Hence I must describe his chatter as leather-lunged political hypocrisy. Now a Detroit newspaper early in February reported Mr. Charles Tuson, a very prominent, highly respected and prosperous business man of Windsor, as having made the statement that money had been expended to defeat Mr. Graham, and I wrote this gentleman under date February 9 as follows:

Mr. Charles Tuson,
Windsor, Ontario.

My dear Mr. Tuson:

It has been reported to me that you made the statement in public that much money had been expended by the Conservatives in South Essex to defeat the Right Hon. George P. Graham—down Amherstburg way.

Is this so?

Very cordially yours,
Eccles J. Gott.

In reply I received the following:

I was surprised to receive the above lines, as you know that I took no part in the last federal elections, here or elsewhere, had not the faintest idea what was going on. I do not know of any moneys being spent by either parties or their agents. I did not make the above statements, and am sorry that any reports that in any way might get into print are not true. I did hear that you worked very hard. This is of course to your credit. We all know that elections cost money for legitimate purposes. We spend too much in Essex county in this way.

That is the difference between writing to a man of ability, capacity and sincerity and writing to what I have termed a political hypocrite.

Now I hold in my hand a copy of the famous Australian treaty which has been discussed at considerable length in this House. I do not intend to go into the details of this treaty but I may observe that it was discussed on several platforms in the south riding of Essex, and on one in particular to which I shall refer in a moment. I hold in my hand a list of comparative duties between Australia and Canada, and they seem to me to be absurd in that they are conducive to making our farmers pay the very highest prices for what they buy and accept the very

lowest prices for what they sell. I believe the farmer works longer hours and receives less money for his toil than any other man who labours.

Three weeks prior to the election my worthy opponent asked that there should be no last minute appeals. I am going to submit to the House one such appeal that was issued by him at 6.30 o'clock on the night of October 28, when printing houses in small towns are closed. There is no date to this, but I think hon. members will take my word that it was issued on the 28th.

To Brunner Mond workers:—

Brunner Mond is an alkali concern in the town of Amherstburg, and this appeal was issued particularly to its employees.

The Brunner Mond makes soda ash. Soda ash enters largely into the manufacture of paper. Under the treaty which Mr. Graham and his colleagues concluded with Australia, millions of tons of paper will be sold to Australia, and every ton of that paper sold is just so much work for the Brunner Mond and Amherstburg. Mr. Meighen and his candidates have roundly abused this treaty, while the "outside man," Mr. Graham, has been quietly working for the welfare of his constituency.

Think it over—vote for Graham.

Amherstburg Liberal Association.

Hear about it, Liberty Theatre, Wednesday night.

That was Mr. Graham's last-minute appeal, although three weeks prior he had requested that no such appeal should be made. The people who went to hear the issues discussed at the Liberty Theatre did hear Mr. Graham remark, "We have sacrificed the farmers and their interests in this country for the paper manufacturers." I issued a circular shortly after in this form:

To Brunner Mond workers, fellow electors.

The Brunner Mond makes soda ash. Soda ash is used in the manufacture of glass. Glass factories have closed under the King government. Glass contains 30 per cent soda ash. The Brunner Mond needs protection. What protection they have was obtained from the Liberal-Conservative party. If they desire more protection they are entitled to it. Tariff on glass is essential. Think it over. Don't be hoodwinked. Vote for Gott—a South Essex man for a South Essex seat.

That was the last that the electors of South Essex heard from Mr. Graham. They heard from me the following day as follows:

Amherstburg, Ontario, October 30, 1925.

My dear friend:

It is difficult to convey in words my heartfelt appreciation of your honest efforts and loyal work that did so much to accomplish our brilliant victory yesterday. You have a great deal to be proud of, for in retiring my opponent from South Essex politics, you decisively and convincingly defeated a man who was considered the most prominent and outstanding figure in the Liberal party in our Dominion.

During my incumbency of the office with which the electors of South Essex have honoured me, I expect to enjoy the same hearty co-operation with you that marked our campaign efforts, and to serve your interests in parliament as well and faithfully as you have served mine. I hope to meet you often personally during the next four years, and shall do my utmost at all times to work constructively for your welfare and to show myself worthy of the confidence you have placed in me by an active, honest and faithful representation of the electorate.

With a hearty "thank you"

Now, the electors of South Essex have even heard from me since. On December 21, 1925, I addressed them as follows:

My dear Friends:

As member-elect of the House of Commons for the South riding of Essex, I desire to extend to you my sincere Yuletide greetings, and at the same time thank my friends for the fine endeavour made by them on October 29. True, I may not have been your candidate, but I am your member, and only by conciliation with the powers that be and co-operation with the member-elect can we obtain for a progressive constituency the things we are justly entitled to. Hence I ask your co-operation during my incumbency of the office with which the electors of South Essex have honoured me, as I have no grind to make with those who opposed me, and forgive those who adapt themselves to tactics ill-timed and unbecoming Christian intuition.

I have 6,851 supporters whom I desire to thank for their loyal support, and I expect to enjoy the same hearty co-operation from them that marked our campaign efforts, and to serve their interests in parliament as well and faithfully as they served mine in the campaign.

I hope to meet all the electors personally during the next four years, and shall do my utmost at all times to work constructively for their welfare, and to show myself worthy of increased confidence in the future by active, honest and faithful representation of all sections and classes, regardless of colour, creed or political affiliation.

In thanking you for your valuable assistance, and in kindly expression to those who opposed me, as well as to the 4,000 voters who failed to express themselves by ballot, I would call to your attention the fact that when Premier King dissolved parliament he gave as his reason for not being able to properly conduct Canada's business, that in a House of 235 members there were only 117 Liberal members. In appealing for a more definite mandate, he clearly intimated that unless given more Liberal supporters he and his government would retire from office.

The election resulted in the return of 118 Conservatives, 100 Liberals, 23 Progressives, 2 Labour and 1 Independent. Premier King and nine of his cabinet ministers were defeated. Of the 26 Progressive, Independent and Labour candidates elected, 18 of them denounced the record of the King administration and defeated its candidates, and the Conservative party polled over 200,000 more votes than the Liberal party. Yet all this means nothing to Mr. King, who clings to office in defiance of the verdict of the people and in contempt of the popular will. If, as Mr. King himself declared, he could not carry on the business of Canada with 117 supporters and a full cabinet, how can he hope to carry on efficiently with only 100 Liberals and he and half of his cabinet without seats? The good-thinking Liberals have advised Mr. King to admit defeat, while others advised him to hold on at any cost, which brings a spectacle of shameless usurpation of power, a spectacle the like of which has never been witnessed in any other civilized country in the world.

If another election with its enormous expense is forced upon the people of Canada, do not fail to impress upon the people that Mr. King, and he alone,

is responsible. In such event I ask the electors of South Essex to demonstrate their sense of fair play and political honour and decency by registering their emphatic protest against the unconstitutional and high-handed methods employed by Mr. King. By so doing you will at least have done your part in preserving the good name of Canada.

For your convenience and in grateful appreciation of your valued assistance, and in anticipation of the full confidence of all the electors of South Essex, I am appending a statement on the back of this missive of the votes polled in the recent federal election, in the constituency of South Essex.

With a hearty "Thank you" for the fine manner in which I was received throughout the constituency, and with the wish that the Almighty in his wonderful providence may permit—

Some hon. MEMBERS: Oh!

Mr. GOTT: Anything of a Christian origin seems to provoke laughter in this House, Mr. Speaker.

—you to enjoy a bountiful Christmas season, with a flow of yuletide blessings, and bring you peace now and forever, is the earnest wish of your representative in my Christmas message of thanks and good cheer, in which I sincerely extend to all a Merry Christmas and a Bright, and Happy and Prosperous New Year.

Mr. Speaker, the Australian treaty, along with many other issues and reasons, was the cause of Mr. Graham's defeat. He did not purpose, not for one moment, that the Civil Service Commission would function to the disadvantage of his political standing in the riding. In giving a few details in connection with only one of several cases in South Essex where he was dictator, I desire to submit a letter from C. R. McCallum, of Kingsville. Ontario, and some detail regarding his short-lived connection with the customs service in Essex county.

Having been officially appointed by the Civil Service Commission, before he could be sworn in he was relieved of his appointment through the advice and dictation of Mr. Graham. In other cases, and in not simply a few, Mr. Graham's interference with the Civil Service Commission was as brazen as in this case. These I shall not mention other than to say that in them he showed a defiance of any regulations that might govern the Civil Service Commission. Mr. McCallum is a returned man of excellent standing, fine executive capacity, qualified in every way for the position, and slightly indisposed at times due to war service. I was the recipient of a letter from Mr. McCallum, under date of February 5, in which he states:

Re—Kingsville Customs Appointment

This is a rather complicated affair and quite difficult to explain by letter.

I am forwarding herewith two official documents, the result of marks obtained on the examination, also the appointment, both signed by the secretary of the Civil Service Commission.

I carried out instructions on appointment, and on presentation of same was informed that my duties would not begin until authorization from Minister of the Department at Ottawa had arrived.

Through some reason, the news of my appointment became known, and our friends here became active, by wire, with the result that although I was appointed on June 30th, headed the examination, served approximately three years in France, was rejected on account of a charge by some political henchmen of this district, but the enclosed letters will explain all I think to your satisfaction.

This appointment did not follow the usual procedure, and instead of going through the commission, came from the department by wire, in due time being passed through the usual channels.

Pressing the commission personally for a reason, also the department through the Windsor G.W.V.A., will enclose herewith the letters which are self-explanatory, the charge against me by the department (manufactured for the instance), and also letters from the C.N. and C.P. Telegraph Companies, whose agent I was here. These letters are from the inspectors who personally checked my office at the time I resigned.

You can easily see what becomes of the charges of the department, against the name of a man who had served his country in the time of need; charges that had not the slightest foundation, nothing more or less than a political dodge from beginning to end.

When we fellows enlisted they did not stop to ask what our politics were.

The defeated representative of South Essex, Mr. Graham, with whom I had several interviews, the first one the day that I had been informed that the appointment was made definitely. Mr. Graham said that the Civil Service Commission was absolutely and entirely supreme. The commission and the department usually met and decided on the appointment, but if the commission made the appointment, recommendations or anything else from the department would take no effect.

I immediately produced the result of my marks, also the appointment, and said: "In view of the facts already stated by you with these official documents in your hand, how do you account for another man receiving the appointment?"

Mr. Graham: "Well, the Customs Department have got busy, Mac."

Mr. McCallum: "You have just finished telling me that this could not possibly be done."

Mr. Graham: "But, of course, you understand this is not my department?"

Mr. McCallum: "This may not be in your department, but this is your constituency, and are you aware of the fact that there are hundreds of returned soldiers in South Essex?"

Mr. Graham then promised that he would get in touch with the department, and the Civil Service Commission, and see what could be done.

The next interview I had with Mr. Graham was the day that he was endorsed as Liberal candidate in South Essex.

A fateful day:

He admitted before Lafferty, President of the Windsor G.W.V.A., and others, that according to the evidence produced from Lafferty's files, part of which I herewith enclose, there was no doubt I had been done an injustice, and on arriving at Ottawa he would immediately get in touch with the Minister of Customs and see if he could not have my name cleared of these charges. As usual his actions were conspicuous by their absence.

This was a fine endeavour—quite characteristic of him, though—to try to clear a man

of a charge which was manufactured by his opponents. What manner of man is he who can so gracefully clear a man of charges of which he was innocent when these were only in the preferred class and manufactured for the occasion?

Now, Mr. Speaker, I hold in my hand the documents in connection with this case, and they show an absolute disregard of the Civil Service Commission as instituted by my worthy opponent, the Right Hon. George P. Graham, and his former colleagues. I have first the time table calling attention to the examination to qualify for permanent appointment to the position of sub-collector of customs and excise at Kingsville, Ontario:

Time Table

Examination to qualify for permanent appointment to the position of sub-collector of customs and excise, at Kingsville, Ontario.

Date: May 29, 1925.

Subjects	Time
General questions	9.00 a.m.—3 hours
Place of examination:	
Enquire	A. W. Massey, Esq., B.A., Principal, High School, Kingsville, Ontario.

Civil Service Commission
Examination Branch
May 22, 1925.

Next I have the instructions issued by the Civil Service Commission, all of which were lived up to. Then I have the result of the examination:

Statement of marks obtained by candidate 137 at an examination held on May 29, 1925, in order to qualify for permanent appointment as sub-collector Department of Customs and Excise, at Kingsville, Ontario.

Now taking the different subjects: on general questions the candidate received 72 marks out a maximum of 100. On education and experience he received 85. In the oral examination he received 88, or a percentage of 80.7. He was pronounced to have passed the examination successfully and to have ranked first.

Under date of June 25 I have his official appointment by order of the Civil Service Commission as received by Mr. McCallum in Kingsville on June 26, which says:

Civil Service Commission of Canada

Notification of Report for Duty

Name—Charles R. McCallum.
Address—Kingsville, Ontario.
Department—Customs and Excise.
Branch—Kingsville, Ontario.
Title of position—Sub-collector of Customs and Excise, outport, Kingsville, Ontario.
Duties—As specified in the official definition, and such other related work as may be required.

You have been selected for appointment on probation as shown above, subject to your ability to furnish the commission with satisfactory evidence as to your citizenship, age, physical condition, character and habits. Report for duty at the time and place indicated below, and present this notice to the officer named. Also please note the extracts from the law quoted before.

Place to report—Amherstburg, Ontario.
Person to whom to report—By letter to the Collector of Customs and Excise.
Date to report—Immediately.

The appointment was closed. A few days later Mr. McCallum learned that another appointment had been made. He went to Amherstburg and presented himself to the Collector of Customs to be sworn in, but that official did not have any authorization from the department to do so, consequently he could not swear him in. A few days later, under date of June 13, Mr. McCallum wired to the Civil Service Commission, and they wrote to him under date July 16, 1925, as follows:

DEAR SIR:

In reply to your telegram of the 13th inst. I am instructed to inform you that the Deputy Minister of Customs and Excise has notified the commission that your services will not be acceptable to that department, and the commission has therefore made another assignment to the position of sub-collector of Customs and Excise in the person of Mr. Allan Dorland Pearsall, who qualified for permanent appointment at the same time as yourself. Mr. Pearsall did not serve overseas during the late war, but you were the only successful candidate who did so. Mr. Pearsall was regularly assigned to this position on the 3rd instant.

Yours truly,
C. H. BLAND,
Assistant Secretary.

The Great War Veterans' Association in Windsor pressing the Civil Service Commission for an explanation, the latter communicated with the Customs department, which department, under date of August 1, wrote to the Secretary of the Civil Service Commission as follows:

I am in receipt of your letters of the 21st and 27th ultimo respecting the appointment of a customs excise examiner at Kingsville, Ontario, and the rejection of Mr. McCallum one of the candidates.

You are advised in reply that it was reported to the department that Mr. McCallum was discharged from the service of the Canadian Pacific Telegraph Company for cause, and the department is therefore not prepared to recommend his appointment to a position in its service.

I have the honour to be, Sir,
Your obedient servant,
R. R. FARROW,
Deputy Minister.

Naturally they had to find some excuse. I may say that the G.W.V.A. of Windsor took the matter up on behalf of Mr. McCallum and have proved that the charges were baseless and without the slightest foundation. I present a letter from the Canadian National Telegraphs sent to Mr. L. J. Lafferty, Pres-

ident of the Great War Veterans' Association, Windsor, Ontario, under date August 15, 1925:

DEAR SIR: Further to my letter of recent date in connection with former agent C. R. McCallum.

Kindly be advised that Mr. McCallum was not discharged from the service but resigned of his own free will, not wishing to assume further responsibility as he was not acquainted with the wire work.

Under the circumstances consider he acted very wisely as our system is quite complicated which made him dependent for information from his operator.

Yours truly,

G. R. KERBY,
Inspector.

I have a further letter to Mr. McCallum from the Canadian Pacific Railway Company under date of London, Ontario, September 2, 1925, as follows

DEAR SIR: With regard to your inquiry I am glad to confirm the fact that you resigned the Canadian Pacific Railway Company's telegraph agency at Kingsville of your own free will, and with the object of securing a more lucrative position.

Wishing you future success.

P. G. GALBRAITH,
Telegraph Inspector.

Now it is shown definitely, Mr. Speaker, that the ruling of the commission was overridden by Mr. Graham. It is very easy to make up reports about men. If I were guilty of the things that were said about me in the campaign, some of which have evidently been carried to Ottawa, I would not be worthy of a seat in this honourable body. McCallum was persecuted for political purposes, and for political purposes only, and I think it is the duty of the Civil Service Commission, and also of the Department of Customs and Excise, if they prize honour and virtue in their operations, to rectify the error so grossly made in the heat of a political contest. I trust the Department of Customs and Excise and the Civil Service Commission will note my remarks and take immediate steps to correct the error to the committing of which they contributed thereby preventing the proper functioning of their own express regulations.

Now, Mr. Speaker, I was not elected to parliament on promises. I told the electors of South Essex that if I had to tell one lie, or make one promise, or purchase one vote, I had no desire to sit in the House of Commons. I said that the only promise I could conscientiously make was that if I were elected I would put forth my best endeavours at all times in the interests of my constituents regardless of colour, creed, or political affiliations; for I believe that a person who has one spark of prejudice in his make-up has no right to aspire to the highest honours within the gift of the people. We have had many promises in our riding from public men in the past. My worthy opponent, Mr. Graham, in the 1921 campaign, promised the onion and early vegetable growers of Leamington and Mersea township protection on their products. Then when a delegation of farmers waited on Mr. Fielding and Mr. Graham at the Prince Edward hotel in Windsor on the 22nd May, Mr. Fielding turned to Mr. Graham and said, "George that is not our policy". I say to this House and I say to the people of this country at large that this is our policy, and when our party comes into power, whenever that may be, legislation will be enacted whereby the necessary tariff can be implemented, and it will not be necessary for a delegation to go to see my leader or the representative of their constituency, if I am sitting member.

I have no apologies to make for the defeat of my worthy opponent. I classed him in the campaign, as I do now as the leading man in the ranks of the Liberal party in the whole Dominion of Canada. I think he stood head and shoulders over the Prime Minister, not only in stature but in capacity and ability, a man worthy of any man's steel, a good all round fellow, with sportsman-like qualities. When he was defeated he wanted to retire. Why should he not do so? I have been connected all my life with those lines of sport by means of which we put on the map our county and the town in which I was born and raised and in which I live—Amherstburg, Ontario. In other words, we have known how to be good winners and good losers. We organized and instituted an amateur county league system of baseball and we tried to instil into our boys a realization of the fact that a dishonest victory was less to be prized than an honourable defeat. Had the Right Hon. Mackenzie King been a member of our league he would have had the same teaching and the people from coast to coast in Canada to-day would not be saying that Mackenzie King was not even a good sport.

My worthy opponent possessed sportsman-like qualities. In addition to that he was straightforward and outspoken, especially when I was not present. He is the possessor of a genial disposition; his character is unsullied; and on the whole he has the qualities which make him a lovable chap—the term I believe which has been applied to him by the hon. member for Southeast Grey (Miss Macphail). Mr. Graham was a part of the sporting fraternity in our county, but he was

in the county so little that he grew away from the people and they grew away from him. If I am any judge, his absence from this House is conspicuous. I had the unique experience of meeting a lady who was a personal friend both of the Minister of Railways and of the Minister of National Defence (Mr. Macdonald) and she whined because I had defeated Mr. Graham and pined that it was not the Minister of National Defence who had been defeated.

Now I desire to say a word or two about the part of the country I come from, the constituency I have the honour to represent, and the town of my birth. I was born in the town of Amherstburg, Ontario, the oldest town in Canada, how many years ago I shall not say unless requested. Amherstburg is an historic place, being situated eighteen miles south of Detroit, at the foot of the Detroit river where the river enters into lake Erie. It was known over a century ago, in the war of 1812, as Fort Malden, and the block house used by the Canadian soldiers in that war still stands on Bois Blanc island. The very trenches used by the Canadian artillery to repulse the attack of the Americans in that war still hold their grassy mounds at the north end of the town, and in the town there has been preserved on the property now owned by Mr. John Fraser the very stone from which Tecumseh, the great Indian chief, made his last address to his soldiers before he took the Indian trail north of the town on his retreat to Moraviantown, where he was slain. Being historic we still maintain traditions in some sense, for we have to-day a mayor occupying the red chair for the sixteenth year. He is not an old man and may be good for half a century yet, in which event he may occupy that office until the Master calls.

We produce in the town of Amherstburg soda ash; we have the only alkali manufacturing establishment in Canada. We have a $5,000,000 plant which employs 300 men, known as the Brunner Mond Canada, Limited. The employees of this firm are one happy and contented family of devoted wage earners. The plant was constructed during the war and when ready to operate, the government of Sir Robert Borden, with Sir Thomas White as Finance minister, had not placed a tariff on soda ash as promised and 600 men who were then engaged in construction were laid off. Soon a tariff of 12½ per cent was placed on soda ash; the men resumed work and that factory has operated from then until now. It is the bulwark of sustenance for scores of homes in the community, and offers the surrounding farmers a ready market for all produce.

Just recently officials of the Brunner Mond went into eastern Canada to ascertain why certain institutions were not using Brunner Mond products, and the only reason given was that the Michigan Alkali people were underselling our Canadian firm by the smallest kind of margin, due to the fact that the Michigan firm turns out ten tons to every ton manufactured by the Brunner Mond. I am not asking for or suggesting, nor has the Brunner Mond Company done so, a raise in tariff, which would be conducive in my humble opinion to materially increasing their output, giving employment to more men and supplying the Canadian market exclusively with Canadian products, manufactured in Canada, the output of Canadian brain and labour; but what the Brunner Mond Company needs is protection on glass.

The people of Amherstburg are interested in the manufacture of soda ash, which is an indispensable product in the manufacture of glass. Glass contains thirty per cent soda ash. Canadian glass factories are unable to withstand the importation of American glass at a low duty, and are closing, or rather have closed their doors, for the lack of profitable business. Across the river two huge factories employ thousands of men manufacturing glass that is shipped to us for consumption, while our own factories employ but a few men because our government allows the market for its product to be choked by the product of our competitors.

Mr. CAMPBELL: Does the hon. member think that a 35 per cent duty on glass is not sufficient?

Mr. GOTT: I have noticed a disposition on the part of hon. members to my left to interfere with younger members who are making their first speeches. The hon. member who spoke before me was not interrupted; I have not yet interrupted a speaker in this House, and if my hon. friend desires an answer to any question I shall be willing tomorrow to sit down with him and go into the question in an intelligent manner.

This was one of the issues—one of the many issues—that was discussed in Amherstburg during the campaign. Mr. Graham carried the town of Amherstburg, a small town of less than 3,000 souls, in 1921 by a majority of 325. But after the visit of Mr. Duncan Marshall to Amherstburg the town flopped to the tune of 295 the other way. I do not know whether or not the term "flopped" is unparliamentary. Mr. Marshall sought to impress

upon the people that the woollen factories of Canada were working night and day, whereas the official report that had the day before been placed in the hands of residents of the town disclosed the fact that twelve woollen factories had closed their doors in Canada during 1924; that hundreds of men had been thrown out of work due to their failure to operate, and that the twelve failures had resulted in a loss to the operators of $1,463,000, whereas others failed without actually going into liquidation and the woollen business of Canada was not in the healthy state in which Mr. Marshall said it was.

My first remark in connection with the railways of this country is that if any one of the 245 members of this parliament is not vitally interested and concerned in the government-owned system, he is not a loyal Canadian. During the campaign I sent out a circular letter dealing exclusively with railways, asking for an understanding on the question, and to-day I say to the nation at large: Let us understand one another on the railway question. At various times I have criticized the waste, the useless expenditures, the pledging of credit and the promise of railway lines where the traffic would not justify extensions. To-day I am opposed to the building of the Hudson Bay railway or any other line while our backs are breaking with a railway debt of $2,056,181,517.70, with the 1925 addition still to be made. It is too late in public life in Canada to place the blame on any party or person. It is not a political question; it is a national problem, the biggest problem facing the Canadian people to-day, and we must grapple with it in a genuine business-like manner or we shall be heading straight towards national disaster. The Conservatives blame the Liberals; the Liberals blame the Conservatives. In one of the thirty-one paragraphs of that circular letter I placed the blame on the shoulders of the Right Hon. George P. Graham, who, when he was Minister of Railways and Canals in the Laurier government, overbuilt this country with railways in anticipation of an immediate influx of immigrants swelling our population, so that to-day we have the railways capable of handling the population but unfortunately we have not the population. I hold in my hand the circular letter to which I refer. It comprises thirty-one paragraphs, but I am going to read just this one:

The Hon. George P. Graham is one of those rare optimists that the returning annual deficit cannot for a moment disturb. You will recall, many of you, that he was preaching optimism when the Canadian Northern lines were being built and the Grand Trunk Pacific was under construction. He has that same optimism. He boasted of it and he ridiculed those business men who counselled caution in those enormous expenditures. The Grand Trunk Pacific, you must recall, was built in part during Mr. Graham's earlier years as Minister of Railways and Canals, under the old Laurier administration. Even in those days Mr. Graham was a successful builder of deficits with the old Intercolonial railroad which ran from Montreal to Halifax. In those days, however, he had not attained the success that he now has achieved as a deficit builder. Three or four million dollars of a deficit per year was his crowning achievement. To-day, he never bats an eyelash with a deficit of $35,000,000 or $40,000,000. And even this amount is modest for there have been expenditures incurred for the Canadian National lines that have not been charged to the railroads, but that are charged to the government as general expenditures.

Still, this deficit builder has been until Saturday hanging on to the reins of office as Minister of Railways after having been swamped in South Essex. The people said: We want no more of your administration; and the voice of our section of the Dominion of Canada spoke very audibly. Four years ago the three seats in this section were held by three cabinet ministers by enormous majorities, namely, the Right Hon. George P. Graham, the Hon. James Murdock and the late Hon. W. C. Kennedy. Since then another seat has been added, and it must be painful—yes, it must even be mournful to the office-holding government, to discern on this side of the House four Conservatives, all with proud majorities. Strange as it may seem, with full faith and confidence they sent an Englishman, a Frenchman, a Scotchman and an Irishman to conduct their business in this parliament. I might add that so far the Irishman has not been out of bounds except on one occasion, and that owing to the fact that he has been seated in this House between two Scotchmen. I took occasion to turn to one of the Scotchmen and I asked him if he knew the difference between a Scotchman and a cocoanut. He advised me that he did not, and I told him that he could get a drink out of a cocoanut. I turned to the Scotchman on my left and I asked him if he knew the difference between a Scotchman and a canoe. He told me that he did not, and I had to tell him that a canoe tipped—sometimes.

A great deal has been said about keeping the railroads out of politics and I believe even this House could agree unanimously on that. There are in my riding five newspapers, three Liberal and two Independent, supposedly and during the campaign they carried advertisements headed: "Keeps the railways out of politics." Naturally I thought some interested citizen had been prompted by independent motives to take the initiative and to write the article; but when I was speaking to the owner of one of the news-

papers he advised me that the item was Liberal campaign literature and was being paid for at the rate of $11.10 per insertion from the expense account of the Right Hon. George P. Graham. My advice to the government is to keep the railways out of politics. Perhaps they will not heed my advice because, as a young member, I thought it was my duty to sit, listen and learn for the first session or two and not to give any advice. Then it was impressed upon me that the duty of a back-bencher was merely to make a noise and vote, both of which I humbly plead guilty to.

Having given one piece of advice to the government, I feel at liberty to give them another, namely, to keep Sir Henry Thornton out of politics. I do not know Sir Henry Thornton; I have never met or even seen him; but I know if I had any jurisdiction over him, instead of raising his salary by thousands of dollars and permitting him to attend pink teas and dinners, I would lower his salary by thousands of dollars and put him to work. I see he advised the people of Toronto at a Canadian Club banquet on February 1, which was attended by approximately a thousand people, that we have added to our railway debts in the last three years the very small item of $159,000,000. After citing, according to the newspapers, some other matters, from these facts Sir Henry Thornton concluded that an era of prosperity awaited Canada, in which prosperity the Canadian National Railways would have a share. In order to get a glimpse of this prosperity, it will be necessary for us to get around the corner. That corner will be a hard one to turn and it can be turned only by the undivided co-operation of the people and legislators of this country from coast to coast. I quote from the Border Cities Star of February 2, 1926:

10 p.m.

$53,000,000 Annual Loss of C.N. Lines—Thornton Declares Money spent in Past is Gone—Reviews Finances—Sir Henry Says he Will do Everything to Bring Alberta Coal here.

Toronto, February 2.—During the past three years the Canadian National Railways have cost the taxpayers of the Dominion $159,000,000 in direct loss, or, as Sir Henry Thornton, K.B.E., president of the system, declared to the Canadian Club yesterday, "That represents what you may call the out-of-pocket expenses. That is money that has gone out of the window. You can kiss it good-bye. It's gone." This, however, Sir Henry declared, was a different matter from the $100,000,000 a year which in some quarters, he alleged, was stated to be the annual loss.

If Canada had been losing that for the past three or five years, he asserted, the railway and the Dominion would have been "busted" long ago.

Sir Henry was inclined to take a much more optimistic view of the situation, declaring after a review of conditions generally, "We are approaching with considerable rapidity the day when our National System will cease to be a burden on the people of Canada. I have explained to you how our net earnings from operation have jumped from $3,000,000 to $32,000,000 in 3 years. Does not that present to you any encouragement for the future? There seems to me to be only one answer. This property is yours, and it is for you to say what shall be done with that property." With respect to criticism levelled at the management, Sir Henry defended expenditures on advertising and rehabilitation, made a laughing reference to golf courses, and finished by stating emphatically, "We shall continue on our course irrespective of criticism."

That is a defiant attitude which I should not care to assume if I were in his position as a servant of the people of this country. Now I believe in constructive criticism and there is no man in Canada to-day who is beyond the criticism of this parliament if we deem it our duty to offer that criticism. If we have an operating surplus on the Canadian National Railways for the fiscal year 1925—and let us hope that we shall have a large one—then I say that it is a matter more of good fortune than of good management, for from the opening of the year down to the last week in July car loadings showed a lower volume of traffic than during the corresponding period of 1924. Up to that date there had been a shrinkage of 78,454 loaded cars. The railways are the carriers of the commodities which commerce and industry produce, and they had a most discouraging half year inasmuch as there had been a slowing down of production. But with the closing week of the half year came a very favourable change; car loadings began to rise in volume and by the end of November the losses of the first six months had been retrieved and a gain of 37,731 loaded cars was recorded. Not in many years has there been so decided and significant a swing from conditions of depression to conditions of improvement, and as a result of this change let us all hope that when the report is brought down we shall have an operating surplus exceeding that of the most sanguine expectations. But even if we have a large operating surplus, several million dollars will be added to that already staggering, back-breaking railway debt which we as Canadians cannot shirk.

Sir Henry Thornton, the members of this parliament and men of outstanding capacity in Canada generally have reason to be alarmed at the size and continued growth of this debt. When is it going to stop and where will it end? I am not an alarmist, but there is no man in this parliament big enough to solve the problem. I do not think that we should adopt the attitude that everything is all right in Canada in connection with our railways and that soon they will be carrying themselves; I believe in letting the people know just where we stand in the matter. Do not

let us try to cover it up, for what is to be gained? Sir Henry Thornton has the biggest task that faces any man in Canada and he needs advice; he needs sharp criticism of a constructive nature; and he needs co-operation on the part of this parliament and of the people in every section of the Dominion. The average intelligent citizen with whom I have conversed believes that if this money that is provided for private cars that are being operated at a tremendous expense could be diverted to the operation of box cars, it would be not only a good policy but a wise and patriotic endeavour, assuming that this could be done as soon as conditions would permit for the good of the system and in the interests of all Canadians who try to muster faith in the system.

I beg to submit a comparative statement of operations of the two great railway systems in Canada as taken from the Border Cities Star of Windsor, which is generally reliable in every respect. I do not propose to make any references to the expenditures at Jasper or Manakin, or to the radio expenditures, to the skyscraper in Toronto or to the Scribe hotel. The Canadian Pacific operates 20,000 miles of track while the Canadian National Railways operate approximately 21,000 miles and the gross receipts of the Canadian Pacific per mile amount to $8,900 while those of the Canadian National Railways are $10,771. The net profit of the Canadian Pacific Railway per mile, however, is $1,829 and the net profit of the Canadian National Railways $788, while the expenditures per mile on the Canadian Pacific are $7,100 and the expenditures per mile on the Canadian National $9,900. I do not know whether this is at present correct in detail but I presume it was correct at the time it was compiled in 1925. Now this is very discouraging to Canadians when they think that 35 cents of every dollar they pay into the Dominion treasury in the way of taxes must go to meet railway deficits.

I desire now to say a word on immigration. The hon. member for West Middlesex (Mr. Elliott), in moving the Address in reply to the Speech from the Throne—and I must congratulate him on the excellent way in which he acquitted himself—made mention of this subject among others. In fact he was so eloquent that once during his oration I closed my eyes and opened them suddenly to make sure that I was not surrounded by gold. He just about had me mesmerized. I should not like to accuse him of resorting to questionable tactics in his campaign, and certainly he won a victory there even though he does not represent the popular vote of the riding. The hon. member refers to the most successful immigration policy of this government. Which policy he means I do not know, but I would ask hon. members on both sides of the House this question: Is an immigration policy that brings immigrants to Canada when we have nothing to offer them a successful policy? Or is an immigration policy a successful policy which brings immigrants to Canada at the expense of the expulsion of our industrial workers? We have an Immigration department, it is true, but I must say it is over-manned; men are stumbling over one another in this as well as in other departments of the government. But the policy of the government has been to bring out immigrants at the expense of our people and to educate them along mechanical lines, and as soon as these immigrants become proficient the government permits them to leave the country for the land of opportunities to the south. The United States spend millions of dollars yearly through their immigration department to keep out undesirable immmigrants. We spend millions of dollars yearly through our Immigration department and have nothing to show for it. We bring in immigrants, and in a very short time many of them are over the line. We need immigrants, we must have them, but not at the expense of our Canadian boys. Get our factories running, conserve our natural resources and manufacture them at home, and soon, very soon, we will have employment for all. Then our boys will come back. Then launch an immigration campaign that will astound the eyes of the rest of the world. Population, and population alone, will solve our problems. The more the population the less the debt per capita; the less the population the more the debt per capita. So if we are to have the 50,000,000 population that my worthy opponent spoke of last session, we will have to wait for years at the present rate of increase.

To-day there are more Canadians in the United States than in the whole Dominion. The census for the city of Detroit alone for last year showed that there were 89,684 bona fide Canadian-born permanent residents, aside from the thousands who cross daily by ferry to work in Detroit factories, while many of the factories on this side of the river are not turning a wheel. And they will not until there is tariff stability. Talk about prosperity in Canada and our boys coming back from the States—some have said in large numbers! Yes, they are coming back. For the first fifteen days of the year at the port of Wind-

sor—and this is the only port of entry I use as an illustration because it is a stone's throw from my riding—there were admitted to Canada—and they were not all Canadians—by way of ferry boat 47, by way of trains 26, or a total of 73. When we make the comparison that I am about to place before the House showing the absolute disparity that exists, those who are responsible for the policy that causes it say we are crying blue ruin, that we are calamity howlers, pessimists. I am not a calamity howler, nor am I a pessimist. I am just optimistic enough to think that a roadster can carry six passengers if they are well enough acquainted. Hence when I tell you, Sir, that for the first fifteen days of this year there were regularly admitted at Detroit from the Dominion 1,375 permanent residents—and the American officers think they do well if they get two out of three—the disparity is patent. During the same period we lost at the port of Windsor emigrants over immigrants 1,302 citizens that there are records of, and how many more crossed over never will be known. But those who assert that our boys are returning in large numbers know little, yea, very little of which they speak. It is not a pleasure for me to cite these conditions; it is rather painful. I think they are disgraceful. Let me quote a paragraph from the Border Cities Star of January 2, 1926:

Detroit Is Mecca For Canadians

The exodus of Canadians to the United States continues with the new year, according to a report by H. F. Hawley, United States consul at Windsor. Applications by bona fide Canadian citizens for legal entry into the United States are piling up rapidly, the consul said. That appointments with prospective immigrants have provided for every minute of his staff's time until February 26. The majority of those who propose departure from Canada by way of Windsor desire to settle in Detroit or vicinity, according to the records.

Now, Mr. Speaker, can you imagine what this means to Canada, losing the flower of her population? And yet we have a government in power that does not even know this is taking place! As to how many Canadians we will lose for the first quarter of 1926 from the port of Windsor alone no person can make even a conservative estimate. Those who left during the first fifteen days of January paid $13,750 to get passports, and the head tax aggregated $11,000 or a total expenditure of approximately, $24,750 of good Canadian money for the mere purpose of our fellow countrymen entering the States to reside there permanently. This is assisting to solve unemployment in Canada! I admit it, Mr. Speaker. It is helping as well our exports. All of these people are heads of families, and their dependents will follow later. Taking their furniture and so forth, their settlers' effects, and averaging them at $500 each, we are losing in wealth $687,500—a mere trifle. I claim this is the greatest challenge to any government or even a professed government that has ever been made. I ask what is being done to meet it.

The hon. member for Queens (Mr. Jenkins) recently said:

I have noticed in the speeches that have already been delivered in this debate that not a great deal has been said by hon. members regarding the particular constituencies they represent.

I did not regard his own statements as being very specific with respect to his constituency. I have the honour, Mr. Speaker, to represent the most southerly section of Canada. I have the honour too of representing Jack Miner, the leading bird naturalist of the world—also Jack Miner's birds. Jack Miner is a good Christian soul, kind hearted and with a very charitable disposition. Through his sanctuary he protects annually more birds than all the paid officials of all the governments of Canada combined.

Mr. JACOBS: He believes in protection.

Mr. GOTT: Apparently. After the hon. member for Queens made that statement I prepared a memorandum of the agricultural situation of my county. Essex county is the southern limit of Canada and together with parts of Lambton and Kent constitutes the northern limit of a prehistoric sea which once covered what is now known as the Mississippi valley, extending northwestward through Indiana and central and northwestern Ohio, and submerging the extremity of southern Ontario known now to Canadians as the "Garden of Canada." All the soils in this extensive region are roughly similar in physical properties. They are all composed of an alluvial deposit, ranging from light sand to heavy clay, but generally of a black silty loamy character and very highly productive. In Essex county there is a wide range of soil. Along the lake Erie shore it is generally of a sharp nature, ranging from sand to gravel. This formation extends northwestward to Ruthven as a narrow gravel ridge to Essex. In Mersea and Gosfield North, the light soil extends in irregular areas northward as far as Albuna and Blytheswood. The soil in this area of south Essex consists generally of yellow sand with only a small percentage of dark coloured sand. From the Canard river to Ojibway, along the Detroit river and extending backward a relatively short distance from the river, there is a very productive black sand area. Similarly in North Essex,

along lake St. Clair and extending from Tecumseh to the Kent boundary, there is a general area of sand deposits, irregular in outline and blending with clay, loam and muck in a confusing manner, which consists mainly of dark sand with yellow sand showing in some restricted areas. This is the one outstanding radish belt of the world, and Petite Cote radishes are known all over the continent of North America.

The remainder of the soil, apart from the marsh land reclaimed and otherwise in the Leamington, Canard and lake St. Clair regions, is mainly of a dark loam nature, blending in but few cases into a hard clay foundation. Thus every constituency in Essex county has one of these three types of soil—sand, clay and muck—and every successful project to increase values and improve conditions will benefit everyone. Because of the level land of Essex county, its southern location and the influence of surrounding bodies of water, a climatic condition, and hence, a range of crops, exists which is unparalleled in any other district in Canada. The presence of good roads, of numerous steam and electric railroads and of large consuming centres within a reasonable carrying distance makes this theoretical crop range a practical business opportunity.

With the single exception of Virginia type tobacco, the dark coloured sands of the county will produce exactly the same crops and as profitably, as the lighter coloured sands. The Virginia tobacco industry will therefore remain centred in the lake Erie sand areas, although to some degree there may be possibilities of some development in the lake St. Clair region, particularly in Tilbury North. Burley tobacco may be grown with excellent success on the black sands, gravels and lighter loams, where these soil formations exist, in every part of the county. All our sand soils, properly drained, can grow early tomatoes ten days earlier than the Niagara district and from two to three weeks earlier than the state of Michigan lying directly opposite. Hence Essex country, has this climatic monopoly which will always remain.

Cabbages, spinach, beets, outdoor lettuce, onions, carrots, early potatoes, sweet potatoes, in fact, all early outdoor vegetable crops, can be grown because of this climatic factor to greatest advantage in Essex county. Orchard and small fruits are not so important as they were. Tobacco and early vegetables have proven more profitable and have been gradually supplanting them. However, the sand and gravel soils in the county are excellently adapted for their production and we still have over 5,000 acres of orchards—apples, peaches, plums, pears, cherries and apricots—and over 1,000 acres of small fruits. These are distributed throughout the country, but are concentrated mostly in the riding that I have the honour to represent, the most southerly section of our great Dominion, the progressive constituency of Essex South.

Much of the lighter soils in South Essex are already being intensively farmed, particularly adjacent to Leamington, Kingsville and Harrow. Virginia type tobacco and early tomatoes are the chief crops at present, but smaller areas of all early vegetables are produced. In West Essex, the most intensive cultivation anywhere in the county takes place, bordering the river from the Canard to La Salle. Several crops a year are taken from the soil. Both early and late vegetables are grown, and radishes are shipped in carload lots to the consuming centres. In North Essex very little of the sand land has been used for specialized production of high-producing, profitable vegetable crops for human consumption. No tobacco at all is being grown. All signs point to a development reasonably rapid in this district.

Despite the intensive development of land of this type, there is in Essex county a great deal of land adapted to these highly specialized crops not at present being put to so profitable a use. This is due partly to the fact that the occupiers of the land in certain localities have not developed this type of farming, and it is partly due to the fact that the very high American tariff tends to shut out these commodities from Detroit, the greatest natural market, while a low Canadian tariff on American produce invites unfair competition of southern grown products in our Canadian markets, and this fine industry is blighted materially by unfair and unreasonable competition from American producers. The very existence of the farmers of my constituency depends on a protective policy placing them on a basis of equality.

The organization of the unspecialized districts, to the end that they become specialized producing centres of the most profitable crops for which they are naturally adapted, is quite clearly called for, but in order to provide a continually expanding and profitable market, it is just as clear that tariff revisions must be made concurrently with, if not before, this development. Such a programme would greatly increase production, revenue and land values, and would permit of smaller farms and more inhabitants, thus reducing individual taxation and increasing business generally in all our county urban centres. It would also provide splendid business opportunities for those who held the at present cheap undevel-

oped land. The winter vegetable industry is entirely a matter of greenhouse production, but is carried on in practically every case in the sand and gravel areas already described. It is concentrated in the Leamington area and extends along the lake Erie front through Kingsville to Harrow. It has been established on a much smaller scale both in the La Salle and the Belle river districts. No section of Canada offers such natural advantages for this industry, and no district in Canada has so developed it on an extensive scale. Our mild and open winters, relatively short period of cold weather, and our ratio of sunshine, are unequalled. Already there are over 300,000 square feet of glass in Essex county, employing some 400 workers, and with a total capitalization of over $300,000. The chief crops grown are tomatoes, both for the Christmas and the Easter markets, cucumbers, lettuce, radishes, and flowers, both cut and potted. This business is decidedly one for the specialist, and in any case should develop slowly enough to ensure stability. But the greatest hindrance to progress is the tariff situation, as referred to in connection with early summer vegetable crops. As the greenhouses must be heated with coal, upon which a tariff is paid, and as greenhouse operation is too expensive at best to compete against southern crops grown outside and by cheap negro and Mexican labour, the situation in regard to tariff regulations is more unfortunate than in the case of early crops; and in both cases, the benefits arising from the importation of American produce are shared neither by the Southern grower nor by the Canadian consumer, but are secured by brokers, jobbers and distributors, many of them foreigners, while the situation at the same time, constitutes the great disability of the Canadian growers of these crops.

The principal crop now being grown on reclaimed marsh lands is late onions, both in the Leamington and Tilbury North districts. This crop also suffers seriously because of the tariff discrimination. Celery, which might be grown to perfection on this soil, is grown hardly at all, largely because of celery importations from Michigan. While there is an embargo on Ontario celery, together with cut flowers and several vegetables, entering United States ports because of the European corn borer, there is no such embargo on American celery entering Canada, despite the fact that ten American states, including Michigan, were excluded from showing corn at the Chicago International Grain and Hay Show in December, 1925, because of their infestation by the European corn borer, exactly as was Ontario. Late potatoes have not been grown largely on our marsh land, but could be produced very profitably if the American tariff had not been made prohibitory for this crop. The eventual development of these crops, together with the reclamation of thousands of acres still lying waste, depends to a considerable extent upon tariff readjustment. The application of labour-saving machinery and the establishment of suitable storage facilities are also important practical factors affecting the matter.

Loam and clay soils constitute at least three-quarters of the soils of the county, and consequently represent rather more than 300,000 acres. The county has the same climatic, geographic and topographic advantages over the remainder of Ontario that it has in the matter of sand and gravel soils. All cereal and grass crops that can be grown anywhere else in the temperate zone, such as wheat, oats, barley, alfalfa, and all the clovers, are produced very successfully. In addition, four great kinds of cash crops are produced which make Essex county distinct from the rest of the province, with the exception of Kent.

Corn has been the chief cereal crop, some 100,000 acres having been normally produced both for feed and as a cash crop. This crop has been recognized as the most valuable cereal produced in America. The yield per acre of concentrated feed is roughly about one ton more than in the case of any other cereal, while a secondary fodder crop is secured almost equal in feeding value to the corn grain yield. As a result, corn land is the highest in price, of any cereal producing land. The Mississippi valley is the great area of corn production in the United States because of its water-land soil and its peculiar climate, and Essex County and four townships of Kent County constitute the only portion of the great North American corn belt located in Canada. The whole basis of agriculture, both as to field crop husbandry and animal husbandry in this vast area, has rested on the corn crop, and in consequence the whole scheme of farming is very different in many particulars from that developed in other crop regions.

Tobacco has been the second most important field crop of Essex County and is rapidly becoming of first importance. There are three types of tobacco—not varieties, for several varieties are included in each general type—which can be grown in Essex to perfection. Since each one thrives best on a different type of soil, tobacco can, therefore, be grown successfully on every kind of Essex soil with the single exception of our relatively small acreages of marsh and hard white clay. Even by soil treatment, the marsh land might produce a fair quality of tobacco. Hence our production of this highly valuable crop de-

pends on our markets and the skill of our growers, and not on soil limitations. Virginia type tobacco must above all, be of high quality. The proper colour and character of leaf can be secured only on a sand light both in color and in physical properties. Only in South Essex, and perhaps on a small scale in North Essex, can this crop be grown. While there is a good deal of undeveloped Virginia leaf land in South Essex, there is much land too heavy in character upon which this type is now being grown. Thus our total county production will not probably greatly increase, because as new land is developed, some of the heavier soils will be discarded for the production of this type. Burley type tobacco gives the best ratio of quality to quantity on heavy lands, gravel, black sands and very light loams. Much of it is also grown on soils too heavy to yield the best results. If the present acreage were distributed throughout South, North and West Essex on the soils most adapted to it, better results would be obtained. Dark, or Green river type tobacco gives the best results on loam soils, ideal corn land being also ideal dark tobacco land. Hence, it can be grown with splendid success in all parts of the county.

Practically all the Virginia and Burley types are consumed by the Canadian markets. We produce in Ontario about all the Burley required, but not nearly enough Virginia, particularly of the higher grades. There is a tremendous market in Britain for the Virginia type, and a relatively small one for Burley. Our total production of Virginia type probably cannot be greatly increased in Essex, although by soil changes, the quantity of high grade tobacco can be greatly increased. Elgin and Norfolk can produce this type on their light sands, however, sufficient to meet eventual market demands. Burley can be increased largely, both as to quantity and quality, in Essex and Kent, and perhaps in Lambton, as fast as an export market is developed. The British preferential tariff is at present causing this development.

The dark type tobacco is in a class by itself. Three years ago, none of this was grown, while in 1924 over 3,000,000 pounds were produced. This type is produced entirely for the British market, the development of which was caused by the British preferential tariff, and this year was the most in demand of any type in the county. The British market absorbs 40,000,000 pounds annually. As it can be grown in all parts of the county on good corn land, it offers the greatest chance of development of all types. The great advantages in producing tobacco in Essex county are our superior soil and climate for this crop, the fact that both home and foreign markets are already established, and the fact that the industry is already concentrated in this county. The chief disabilities are two. The first one is practical, and involves the great skill and considerable investment required to make a start in growing tobacco. The second one is again a matter of tariff discrimination. The American tariff is so high as to absolutely bar our tobacco from the States. Canada has no tariff on American tobacco, but the excise is 60 cents a pound on American tobaccos, whereas it is 20 cents on Canadian, thus in effect giving a 40 cent tariff on the American product. This is of course ridiculous, compared to the American schedule. Moreover, it is impossible to discover just what we do import from the United States. There are some varieties which must be imported, because we cannot grow them, and a low tariff on these kinds is perhaps justifiable. But with proper encouragement we can grow all the Burley and Virginia leaf in Ontario and all the cigar tobaccos in Quebec that our home markets can absorb. And we must take adequate precautions that no dark type or other kinds are shipped in from the States to be reshipped to Europe, thus weakening our growers' export market.

Hence, the total quantity of tobacco imported into Canada is really of less importance than the kind imported. But our Customs department has never tabulated varieties. To-day, no one knows or can find out, except the inspectors involved, what kinds of tobacco or in what quantities Canada imports. Not even the Federal Tobacco division has been able to get this information. It is absolutely essential that the Customs department be instructed to do this. The only way to prevent abuse is to have a direct tariff on tobacco graded according to whether we grow that kind of tobacco, to be paid when the imports are cleared. And there must also be compiled with this an analysis of our imports. The schedule of tariffs must depend to quite an extent upon such an analysis.

The third class of important cash crops grown in this county is canning crops. They are grown largely on typical loam corn land. Essex county is, perhaps, superior to any part of Ontario in producing tomatoes. The Dominion Canners have six factories canning this crop alone. The Heinz and Clark people each have their Canadian branches in Essex county. The Quality Canners have four factories in Essex. In addition, tomatoes, sweet corn, peas, pumpkins, string beans, cauliflowers and some minor crops are canned. There are

at least 5,000 acres of canning crops in this county. Some of these products are exported but the bulk are used in the home trade. This industry is profitable for the farmer—more so than corn growing—and it is established in each of the three Essex constituencies. Discriminatory freight rates are the chief obstacles at present to a very great development of this industry. This whole matter is now being dealt with by the Board of Railway Commissioners.

I wish to deal now with the development of animal husbandry. The most important department of animal husbandry in Essex has been the production of hogs. This is true of all corn belts and hog feeding in Essex was directly connected with corn growing. The feeding of beef animals was an important secondary interest. Hog feeding is now likely to decline, while beef feeding has been steadily declining since 1920. Dairy farming has made a steady advance during the last few years. Skilful dairy farming is not so dependent upon the corn crop, is economically more advantageous than any other kind of live stock farming on high priced land, and will probably increase as the other branches of live stock husbandry wane. Poultry raising has especial advantages in Essex county and is steadily advancing in importance.

No county in Ontario has made more rapid development than Essex, thus proving that these natural advantages are being practically developed, as the following figures will show:

Essex county	Relative Standing in Ontario re other counties
Acres of assessed land	419,271, rank 28th
Per cent land cleared..	88.39, rank 3rd
Assessed total value of land.. ..	$38,934,857, rank 3rd
Assessed value of bare land per acre..	92.86, rank 1st

Now, Mr. Speaker, under date of February 15, 1926, I received a letter from Granby, Quebec which reads:

Mr. E. J. Gott,
Room 581, House of Parliament.

Dear Sir,—The delegation of cigar manufacturers who waited upon Messrs Robb and Boivin, February 3, 1926, asked for the following changes.

	Present rates	Proposed rates
Raw Leaf unstemmed ..	40c. per lb.	30c. per lb.
Raw Leaf stemmed ..	60c. per lb.	45c. per lb.
Cigars under $40 per M.	$ 3 50	$ 1 75
Cigars under $110 per M.	6 00	3 00
Cigars under $150 per M.	10 00	6 00
Cigars under $200 per M.	13 00	10 00
Cigars over $200	16 00	12 00
Surcharges on packages less than 10..	1 00	Nil.

Their pretensions are that this will reduce the cost of the cigars to the retailer, will improve the quality to the consumer, thus induce greater consumption, consequently more revenue. Back of all this means a greater importation of foreign leaf. In my opinion it would be more to their credit if they devoted their talents to the improvement of the native leaf. My proposition is that the customs duty on foreign leaf be raised to 50 cents for unstemmed and 70 cents for stemmed.

That the excise duty on all cigars be $1 flat, no surtax.

That the excise on manufactured tobaccos be reduced to 10 cents now 20 cents.

That an excise duty of 10 cents be imposed on all domestic leaf consumed in a raw state, or, the duty be at least equal to the excise duty on manufactured, because leaf now consumed in a raw state brings no bread to labor or revenue to the government.

That domestic leaf be admitted free into all licensed factories. For twenty years I have been working for Canadian tobaccos. I was the only individual in the British Empire who exhibited at Wembley native tobaccos and cigars made therefrom, all other exhibits being by governments. I have predicted, that within ten years Canada will be exporting fifty million pounds to the United Kingdom, because of the increased preference. To attain this we must produce more Flue cured in Elgin, Norfolk, Essex and Kent Counties, where the soil is right and the climate and season propitious.

We must hurry the coming five years. I am sending similar letters to M.P.s for Norfolk, Kent, Prince Edward, Northumberland, Wellington, North and South and Mr. G. Stirling of Okanagan, urging upon all of them to study this matter in the interests of their constituents and of Canada.

Please get them together and talk it over.

Yours truly,

J. Bruce Payne.

Under date of February 17, I wrote Mr. Payne as follows:

Ottawa, February 17, 1926.

Mr. J. Bruce Bayne,
Cigar Manufacturer,
Granby, Quebec.

Dear Sir:

I have your favour of 15th instant re delegation of cigar manufacturers who waited upon the Honourable Messrs. Robb and Boivin on February 3, asking for change in tariff on cigars and raw leaf, stemmed and unstemmed tobacco.

The position you have outlined to me contains views far from those held by myself personally and assuredly by my constituents.

Coming as I do from the leading tobacco producing constituency in Canada it is only natural to expect that I desire all possible encouragement for the industry.

We are endeavouring at the present time to encourage the growth of different grades of tobacco in Canada, the kind which these people in my estimation require most.

If the duties or excise is cut it will be in contravention to the desires and interests of my constituents in whose behalf I propose a change in tariff and excise on all grades.

I am grateful to you for your letter and in return solicit your determination and co-operation in the interests of the tobacco growers of the Dominion of Canada.

Yours very truly,

The tobacco situation directly affects a larger number of people than the vegetable business and is bound to grow increasingly important. There are two distinct phases of

the industry in a business sense, one, the domestic market, and two, the export market. For the domestic market, there are two types grown, principally the Burley type and the Virginia type. Canada now produces just about enough Burley for domestic purposes, but not nearly enough Virginia for domestic purposes. For the export market some Burley is required, much fine Virginia and some 40,000,000 pounds annually of the Green river black type.

Due to the increased British preference, Canadian tobacco or tobacco shipped from Canada as Canadian tobacco has a great advantage over American tobacco. By an adequate system of tariffs, Canada can supply all her tobacco for the domestic trade except a few grades, and can become a successful rival of the United States for the British export trade. But Canada is seriously handicapped because of a tariff not properly balanced with that of the United States. In the first place, the American tariff on stripped and stemmed leaf—the commercial grade—is $2.75 per pound, while the Canadian tariff on a similar grade is 60 cents per pound. To make matters worse, Canadian manufacturers can import this tobacco into their warehouses in bond without paying any duty at all until it is manufactured. Moreover, it can apparently lie in this warehouse as unmanufactured tobacco for a long time. In this way it is possible for Canadian manufacturers to lay in a stock of similar grades of American tobacco, which because of the British preference should be cheaper in the field than Canadian tobacco, and hold it as a club to depress the prices of the Canadian product both for the home and the foreign trade. In this way the great advantage of the British preference can be annulled so far as the grower is concerned, and in fact has been so annulled, as the growers' price has not shown the increase justified by the preferential tariff. And this is in face of the fact that already two companies which formerly operated in Kentucky have removed their buying activities from that state to the county of Essex. In short, the only way for the grower to reap the full benefit of the British preference is to have all tobacco imported from the United States subject to a tariff equal to that of the United States.

It is absolutely essential at the present time that every possible encouragement be given the Essex county growers. It is apparent that in order to control the European corn borer, crop substitutes for some 60,000 acres of high-priced land hitherto devoted to the production of corn, must be found. Unless these substitutes are as profitable as corn, farm revenues will be lowered and a very serious depreciation of land values will occur. Vegetables and tobacco are two of the most profitable and logical substitutes affected. The matter, therefore, is one of vital interest; it is, in fact, the most vital question facing agriculture in Essex to-day. Thus Essex county, while relatively a small county and coming but twenty-eighth in point of assessed acres of land, is first in value of land per acre, third in assessed value of total acreage, third in percentage of land cleared, ninth in value of both buildings and implements, fourteenth in value of live stock, and fifth in total assessed values of these various items. Essex county has another wonderful asset in density of population. There are nearly seven thousand occupiers of land and Essex is one of the few counties in which the agricultural population has increased in the last decennial period. Mr. Speaker, I beg to move the adjournment of the debate

Mr. LAPOINTE: Has my hon. friend any further extended remarks to make? I will not object to his moving the adjournment of the debate if he so wishes.

Mr. GOTT: Does the hon. member desire that I proceed?

Mr. LAPOINTE: Not if he has further extended remarks to make.

Motion agreed to and debate adjourned.

ADJOURNMENT—WEDNESDAY SITTING

Mr. LAPOINTE: If the House agrees unanimously, I beg to move:

That when this House adjourns this day it stand adjourned until to-morrow at three o'clock in the afternoon.

Motion agreed to.

On motion of Mr. Lapointe the House adjourned at 10.55 p.m.

Wednesday, February 24, 1926

The House met at three o'clock.

CHICAGO DRAINAGE CANAL

CORRESPONDENCE BETWEEN CANADIAN AND UNITED STATES GOVERNMENTS

Hon. CHARLES STEWART (Minister of the Interior): Mr. Speaker, some few days ago I mentioned to the House that we had asked the American government to name a date on which we should, concurrently, table

the despatches passing between this government and the government of the United States with reference to the Chicago drainage canal. They have agreed, and have named this as the day for the concurrent publication of the despatches.

In tabling this interchange of correspondence between the government of Canada and the government of the United States with respect to the matter of the withdrawal of water from the Great Lakes system by the Chicago sanitary district, a word of explanation is desirable.

The correspondence covers the permit of the 3rd of March, 1925, issued by the United States Secretary of War to the Chicago sanitary district, and the subsequent exchange of communications between the two governments up to the end of the year 1925.

In my statement to the House of Commons dated January 25 last, mention was made of the permit of the 3rd of March above referred to, authorizing the diversion of an amount of water expressed as not to exceed an annual average of 8,500 second feet through the main and auxiliary channels of the sanitary district. It is believed that the object of the United States Secretary of War in issuing this permit was to legalize under United States law, in so far as a permit of the Secretary of War could legalize it, the withdrawal of a sufficient amount of water to protect the health of the inhabitants of the sanitary district, while at the same time incorporating in the terms of the permit provision for a progressive curtailment of the total waters diverted from the Great Lakes by calling upon the Chicago sanitary district and the municipality of Chicago to install sewage disposal works, to construct a control gate in the Chicago river to control flood flows and to meter the domestic water supply.

While the foregoing outlines the general objectives of the Secretary of War's permit, it was, unfortunately, possible to place various interpretations upon the amount of water which could be diverted under its terms. This uncertainty arose from the phraseology of the permit itself, and from the physical conditions obtaining in respect to the actual diversion.

While all the water carried in the drainage canal is a diversion from the Great Lakes system, yet the waters in the canal are not all diverted in the same manner. Certain of the waters are diverted directly from lake Michigan by the main drainage canal and its auxiliaries. A second manner of diversion is through the disposal of the domestic water supply which is pumped from lake Michigan by the municipality of Chicago and as sewage passes into the drainage canal. The quantity of water so diverted amounts to some 1,200 cubic feet per second. A third manner of diversion has been the reversal of the flow of the Chicago and Calumet rivers, whose waters in the natural state were discharged into lake Michigan, but are now diverted into the drainage canal. This last diversion is estimated to be an annual average amount of 1,300 cubic feet per second.

With the above conditions obtaining it was, therefore, possible to interpret the permit of the 3rd of March as being applicable in any one of the three following manners:

1. That the amount of 8,500 cubic feet per second was inclusive of all waters diverted, regardless of the manner in which diversion was made;

2. That the amount of 8,500 cubic feet per second was inclusive of all waters diverted. with the exception of the water diverted for domestic purposes; that is, a total abstraction of 9,700 cubic feet per second was recognized;

3. That the amount of 8,500 cubic feet per second was applicable only to the direct diversion by the drainage canal and auxiliaries from lake Michigan and was exclusive of the water diverted for domestic water supply and by the reversal of the flow of the Chicago and Calumet rivers; that is, a total abstraction of 11,000 cubic feet per second was recognized.

With the object of securing from the United States government a specific interpretation of the terms and conditions of the permit, this government has exchanged notes with the government of the United States, as a result of which a clear-cut definition has been placed upon the permit. This exchange of correspondence is tabled herewith. The communications from the government of the United States now make it clear: First: That the 8,500 cubic feet per second includes the reversed flow of the Chicago and Calumet rivers, but is exclusive of the 1,200 cubic feet per second pumped for domestic consumption by the city of Chicago; that is, a total abstraction of 9,700 cubic feet per second is recognized; Second: That this total diversion of 9,700 cubic feet per second authorized or recognized is practically the amount being actually diverted at present.

In further reference to the interpretation of the terms and conditions of the permit as disclosed in this correspondence, it might be stated that it is the understanding of the United States government that the gross flow in the canal will be reduced by December 31st, 1929, to 8,000 cubic feet per second and probably to 6,700 cubic feet per second, and the United States government states further that the

[Mr. C. A. Stewart.]

sewage treatment programme of the sanitary district has been arranged so as to make it possible to effect a reduction to a gross flow of 4,167 cubic feet per second by the year 1935 or before. I might add that it is the intention of this government to follow closely the actual progress which is made in the construction works necessary to enable the proposed curtailment to be realized.

The papers brought down to-day cover the despatches exchanged during 1925 subsequent to the issuance of the permit of the 3rd of March. In January of the present year, as indicated in my statement to the House some weeks ago, the Canadian government, having secured an official interpretation of the United States permit, set forth its position in a comprehensive manner in a further despatch, which included a protest against pending proposals for the construction of a 9-foot navigable channel in the Illinois and Mississippi rivers based upon the diversion of 10,000 cubic feet per second from the Great Lakes through the sanitary district canal. It has been agreed with the United States government not to publish this despatch until the reply is also available for publication.

In conclusion, I might add that while some progress has been made towards bettering the conditions with respect to the Chicago diversion, as will be realized from a review of this correspondence, this government is maintaining the closest possible contact with every phase and feature having to do with the Chicago diversion and will continue to present the Canadian viewpoint with all possible firmness to the United States government. It might be further emphasized that this government has never at any time recognized, in the smallest degree, the diversion, and will continue to protest against the entire principle of abstracting water from the Great Lakes to another watershed.

Right Hon. ARTHUR MEIGHEN: What year was that?

Mr. STEWART (Edmonton): Last year, 1925.

Mr. CAHAN: Will the correspondence be printed for distribution?

Mr. STEWART (Edmonton): Yes, it can be printed.

Mr. GEARY: Has the government given any consideration to the legal right of the Secretary for War of the United States of America to give a permit for the diversion of lake water at all?

Mr. STEWART (Edmonton): Well, I would not like to answer that question because the whole matter, as my hon. friend knows, is before the courts of the United States as well as before congress, and it is also being discussed very freely in connection with the hearings at Washington. So far as the Canadian government is concerned that is another matter and I should not like to express an opinion as to whether or not the Secretary for War has the necessary authority to issue such a permit.

AUSTRALIAN TREATY

BOUNTY ON BUTTER EXPORTED FROM COMMONWEALTH

On the Orders of the Day:

Mr. DONALD SUTHERLAND (South Oxford): Two days ago I drew the attention of the Minister of Agriculture to an article which appeared in the press regarding the reported bonus to be paid by the Australian government in connection with the exportation of butter, and was informed that the Minister of Finance was in communication with the authorities of the Australian commonwealth touching the question which is known as the Pattersen scheme. Has the minister any information to give on the subject?

Hon. J. A. ROBB (Minister of Finance): No reply has yet been received.

Mr. SUTHERLAND (South Oxford): Was the communication by cable or by letter?

Mr. ROBB: I will find out and let my hon. friend know just what was done. I am being instructed in this matter by the officers of the department.

SOLDIER SETTLERS' LAND

On the Orders of the Day:

Mr. J. A. CLARK (Vancouver-Burrard): On the 18th February I drew the attention of the government to a report that fifty families of immigrants had been settled on certain vacated soldier lands, and the Minister of the Interior stated that he would obtain particulars. I also drew attention to a report that these immigrants were being settled on the lands referred to at valuations below those originally placed on them. The minister stated that he also had received complaints to that effect, and would look into the matter and give the House the desired information.

Hon. CHARLES STEWART (Minister of the Interior): I had the report in question prepared but I missed placing it on the table and it has now gone back to my office. However, I will table it to-morrow.

GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

The House resumed from Tuesday, February 23, consideration of the motion of Mr. J. C. Elliott for an Address to His Excellency the Governor General in reply to his Speech at the opening of the session and the proposed motion of Mr. Bird: "That this question be now put."

Mr. E. J. GOTT (South Essex): Mr. Speaker, when the House rose last evening—

Mr. MACLEAN (South York): Will the hon. member be good enough to move a little nearer to the centre of the chamber so that we can all hear him?

Mr. GOTT: When the House rose last evening I had just concluded an analysis of the tobacco situation in the constituency which I have the honour to represent, and I must take this opportunity of thanking the leader of the government for the very kind and courteous attention that he gave me during my remarks. Being conversant with the requirements of the electors in my riding and knowing that our national development and progress lie ahead of us, and is not dependent on what we have omitted to do or have done wrongly in the past, let me ask any fair-minded resident of our Dominion if the following comparison of the duties existing between the United States and Canada at the present time is fair to either the consumer or the producer:

	United States Customs Duty	Canadian Customs Duty
Wheat	42 cents per bushel	12 cents per bushel
Corn	15 cents per bushel	Free
Wheat flour	$2.04 per barrel	50 cents per barrel
Hay	$4.00 per ton	$2.00 per ton
Fruits	35 per cent	25 per cent
Potatoes	50 cents per 100 pounds	35 per cent
Butter	8 cents per pound	4 cents per pound
Cheese	5 cents per pound	3 cents per pound
Eggs	8 cents per dozen	3 cents per dozen

Our low duty on eggs permits the egg producer of the western states to ship his cold storage eggs into Canada in open competition with Canadian strictly fresh eggs, and neither the consumer nor the producer in this country benefits. The consumer takes the chance when he goes to the market to purchase a dozen eggs, of getting a dozen cold storage eggs which are worth from 15 cents to 20 cents a dozen less than our strictly fresh eggs.

Cattle	40 per cent	25 per cent
Woollens	100 per cent	27½ per cent
Silk fabrics	55 per cent	15 per cent
Woollen hose	75 per cent	25 per cent
Blankets	75 per cent	22½ per cent
Alfalfa and alsike	4 cents per pound	10 per cent
Tomatoes	½ cent per pound	30 per cent
Beans	$1.05 per bushel	25 cents per bushel
Oats	15 cents per bushel	10 cents per bushel
Barley	20 cents per bushel	15 cents per bushel
Tobacco	From $1 to $3 per pound	40 cents per pound and permitted to remain in bond for a period of two years.

Now, Mr. Speaker, I propose just for a moment, to take up a subject which is a very strong one—one, I believe, which would easily bring tears to the eyes of the Solicitor General (Mr. Cannon). That might be impossible, but it would bring tears to the eyes of the hon. Minister of Agriculture (Mr. Motherwell)—I refer to the question of onions. Canada has reached a position where an exportable surplus of onions can be developed.

Mr. SPEAKER: I would ask the hon. members to preserve order so that the hon. gentleman who has the floor may be distinctly heard.

Mr. GOTT: I say that Canada has reached a position where an exportable surplus of onions can be developed each and every year, if business principles and good judgment be applied to the operation of the industry, and if the necessary precautions be taken to safeguard it at all times—and when I say that I mean 365 days of every year. This industry is one which is assuming considerable proportions in the riding I have the honour to represent. At this very moment, growers in western Ontario who have been marketing onions all winter, are faced with the situation that they are receiving approximately $1.10 per hundredweight—or 60 cents per bushel—with a possibility of having to dump the onions out on the field in thirty days because of the approaching arrival of new ones from Texas, California and other western states.

This situation is discouraging to the growers in our part of the country. It is a disadvantage in the extreme, but it could be prevented easily if the government would protect our growers, from the standpoint of selling in the fall at harvest time, from the direct competition of the so-called Spanish onions, which are put on the market at prices equal to any prices that our domestic onion dealers are quoting. This competition from Spanish onions continues throughout the winter. Then in the spring the local onions stored and carried over the winter are faced with refusal at city markets because of the coming in of the new onions from Texas and California. If the United States has a large surplus so that the prices there to the grower are low—sometimes they are invoiced as low as 50 to 75 cents per bag—not bushels but hundred pounds—paying a duty of 16 cents—they can land them in Toronto, Montreal and the Maritimes as cheap as, if not considerably cheaper than the western Ontario growers can. This is discouraging to the grower who, if he seeks to take a bag of onions into the United States, is compelled, regardless of the prices at which they are selling, to pay a duty of $1 per bag.

The state of New York in 1925 produced twice as many onions for the fall market as any other two states in the union. New York is much closer to eastern Ontario, Quebec, and the Maritimes, than is western Ontario, hence the freight rates fully compensate for the duty of 30 per cent, as the duty is usually based on a very low billing. The production of onions in western Ontario could be materially increased if the market could be stabilized, but there is no money in onions at 30 or 40 cents per bag; and the Canadian people are big enough that they do not want to buy onions at 50 cents per bag if it means the annihilation of an important Canadian industry.

American grown onions when imported into Canada are billed so low for customs purposes that the duty gives very little protection to Ontario growers, while on the other hand Canadian growers of onions are barred from the adjacent United States markets of Detroit, Cleveland, Buffalo, Chicago, Milwaukee, Indianapolis, Columbus and Cincinnati, because of the fixed duty of $1 per hundred pounds imposed by the United States government. We are barred from the United States market while at the same time our onion market is taken from underneath our feet by onions from Spain, the West Indies and the United States; yet our government, not knowing that such is the condition, sits idly by. If the Minister of Agriculture (Mr. Motherwell), is in his seat, and if he will arouse himself for a short time, I will submit to him a few constructive points relative to the preservation of this one industry in Canada—in South Essex at least, where an onion shed is now under construction by the government for the storage of onions until the surplus stock of American, Spanish, and the West Indies onions is off our own market. I will say to the hon. minister, that South Essex does not want an onion shed built for one, two, or a few political favourites. They want protection of their product to assure them of our own market, in which they can dispose of their own product at a reasonable and profitable figure.

The proposed construction of an onion shed at Leamington—which, by the way, has been started and is now under the supervision of the Department of Agriculture—was a costly, vote getting, experiment. The onion growers voted strongly—and I trust the Minister of Agriculture will observe the term "strongly"—against the government candidate, the Right Hon. George P. Graham and the government's proposal to build an onion shed instead of giving them protection on their product. Protection, not an onion shed or onion sheds, is what my constituents desire. I am inspired to try to impress upon the hon. Minister of Agriculture, if it be possible, the fact that he can, by almost a stroke of the pen, preserve an important industry in western Ontario which to-day is not receiving fair play.

Let me make one or two constructive suggestions. First, there should be adequate protection on all vegetables, principally onions, raised in Ontario, or in any other part of Canada, protection equal in every respect to that accorded the United States vegetable raisers, so that the barrier to our vegetables seeking markets would be equalled by the barrier the American growers encounter in trying to reach our market. Second: The development of export market facilities and the methods of handling our vegetables, so that we can dispose of our exportable surplus each year, thereby providing a safety valve for any seasonable surplus that we may have from time to time. As an instance, I would mention that during the winter of 1924-25, sixty-seven car loads of onions were exported to Cuba from Ontario and Vancouver, and forty-two car loads of British Columbia onions to the Orient.

In this connection, I might state that under date of February 16, Mr. G. E. McIntosh,

Fruit Commissioner, received the following wire:

Chatham, Ont., February 16, 1926.

Mr. G. E. McIntosh,
Fruit Commissioner,
Department of Agriculture,
Ottawa Ont.

Wire collect names and addresses several reliable, aggressive exporters onions to Cuba and West Indies market. Heavy importation Spanish onions during past five months have taken place of large amount domestic onions with resulting considerable surplus our onions.

If 20 to 50 cars domestic onions could be exported, a fair market might be provided for remainder onions. About 25 cars freshly regraded onions are available at $1.25 per cwt. f.o.b. Western Ontario points and growers pressing to sell.

Sgd. Bruce F. Bradley.

This wire was not despatched by any person animated by political affiliations. It presents the actual condition in western Ontario to-day, as set forth by a man who thinks we should at least be entitled to our own market so long as we do not exploit it to the disadvantage of the general public.

Thousands of farmers in the United States —vegetable raisers, tobacco raisers, and all classes of farmers—would be glad to come to our district if the market for the vegetables they could grow were other than it is at present; and I beseech this government to co-operate with us in this respect in the interests of the people whom I have the honour to represent, before it is too late. The industry is well worth preserving; the farmers of South Essex have hundreds of thousands of dollars invested in it.

In 1924 Canada produced 31,218 tons of onions. Of that amount Ontario produced 23,844 tons, and the riding I represent produced over one-half of the total production of the whole Dominion. For the period of four months of the year 1925 we exported 9,116 bushels of onions at a value of $7,979, and imported for the fiscal year $401,814. I obtained these figures from the report of the Ottawa Fruit Commissioner, Mr. Fulton. We can produce onions, the best in the world, sufficient for the consumption of the whole Canadian market, and have thousands of bushels for export purposes, if this or any other government will only give us a chance to see what actually can be done.

I plead for fairness to all classes. I submit that when we remedy this difference in tariff we shall at one stroke put ourselves on the way to improve our transportation, immigration, emigration, agricultural and general business conditions. If we do not raise our tariff to meet that of our closest competitor we shall be steering straight into disaster.

[Mr. Gott.]

American potatoes and other vegetables have been permitted to drive Canadian produce from the market. Our home-grown vegetable and fruit stocks are allowed to decay, while the market is supplied from the United States at one-third the duty at which we can supply their market. The loss to Canadian growers amounts to millions of dollars annually, and the industry is blighted by unnecessary competition. The preservation of our market garden industry means increased buying powers to the extent of millions of dollars for large sections of Canadian people, to the ultimate benefit of the entire country, while the consumer, as well as the producer, will reap the profit.

I desire, Mr. Speaker, to submit a statement of farm produce imported into the Dominion of Canada from the United States for the year 1924, as follows:

Apples	$ 775,819
Applies dried	56,407
Pears	566,634
Peaches in cans	201,630
Peaches raw	403,312
Cherries	83,349
Grapes	661,443
Strawberries	785,150
Plums	303,495
Butter	783,488
Eggs	2,508,383
Cheese	318,981
Lard	1,144,141
Pork	5,134,061
Beef	33,943
Mutton	250,692
Tomatoes	964,055
Potatoes	451,449
Cabbage	187,677
Onions	434,548
Other vegetables	1,396,080
Corn	bushels 14,120,962
Tobacco	pounds 16,848,439

Total foodstuffs imported, $494,349,000.

In the recent campaign I stood for six points, namely:

1. To reduce our national debt and lessen the burden of taxation by strict economy in every department of government.

2. To stop the alarming tide of emigration by encouraging the development of Canada's great natural resources and give employment to Canadians at home.

3. To adjust the tariff so as to give reasonable and just protection to Canadian farm and garden products, in order that the Canadian farmer and every man who labours may obtain the highest prices for the products of his toil.

4. To develop a sane immigration policy, with the view of building up Canada as a great and prosperous nation within the British Empire.

5. To conserve Canada's raw materials and manufacture them at home, thereby giving

employment to hundreds of thousands who, through the exportation of same in the raw, follow it to the factories in search of employment.

6. To adopt at all times a conciliatory and constructive mode of procedure on matters pertaining to our national welfare; and to represent all the people regardless of colour, creed or political affiliation.

I quote from the Mail and Empire of September 12, 1925:

Australia Booming

On Wave of Prosperity, Sir James Elder Says

Toronto, September 12.—Illuminating figures showing what protection had accomplished in Australia and other parts of the British Empire were imparted yesterday at the exhibition directors' luncheon, at which Sir James Elder, Trade Commissioner for Australia in the United States; Hon. J. F. Cahan, M.P.P., member without portfolio of the cabinet of the Nova Scotia government, and Ben Smith, a member of the British Labour party in the House of Commons, spoke.

Sir James Elder said he was certain that Australia would be an exhibitor at the 1926 exhibition. Unlike Canada, he said, Australia was now riding on the crest of a phenomenal wave of prosperity, and the wheels of industry were spinning as never before, so much so that the people of Australia were fast being relieved of the heavy burdens of taxation. Protection had been the one cause of Australia's wonderful success in the interchange of trade with other countries.

Sir James declared that during the past three years Australia had reduced her war debt by over $110,000,000, while the aggregate Federal debt had been decreased to the extent of $2,000,000,000. Australia had not only reduced her public debt, but the government was seized of the importance of relieving the people of heavy income taxation and four reductions had been made since 1914, the present tax being on the basis of pre-war days, plus 20 per cent and further reductions were contemplated in the very near future.

I have been asked by members on this side of the House where I stand on the question of Maritime rights. I have heard the question very often asked in this chamber: What are Maritime rights? I quote a reprint from the Montreal Herald:

Halifax Elevators Lie Idle as Bulk of Grain Crop Shipped by Way of the United States.

Not one bushel of the 24,095,814 bushels of Canadian wheat exported to Great Britain this year has arrived at one of empire's most important ports.

I realize from that article what Maritime rights are, and I say to this House that I stand for Maritime rights just as I stand for Alberta coal for Ontario. I stand for Canada for Canadians. I stand for a national fuel policy which, I believe, would be a wise and patriotic policy, one conducive to the exclusion of millions of tons of United States coal annually from Canada and one that would keep at home millions of dollars every year to help to turn the wheels of Canadian industry.

Much has been said in this House about precedents. I have heard more precedents mentioned since the opening of this session than in all the rest of my life. Let me quote a living precedent, one which stands out in the world to-day as a beacon—the United States of America. The United States is the richest country in the world. It is the most highly protected country under the sun. Its workmen are the best paid men on earth and its commodities are sold at prices as reasonable as those of any country. Only when Canada adopts measures similar to those adopted by the United States in regard to the tariff, shall we prosper. Protection brings capital investment, industry, employment, wages and competition. Competition brings prices within the reach of the working man and, above all, presents us with the means of preserving the essential of nationhood—our manhood. Protection brings industry and one industry brings another. The protective tariff develops home industries and these industries promote others, giving employment to working men, wages to local families and contentment in the home. They give custom and profit to local business, and the prosperity of the manufacturers and of business concerns generally provides freight for the railways, which again employ more workers. All these combined furnish a better home market to the farmers who are sadly in need of a more extensive outlet for their products.

This is the policy which the Conservative party stand for and which will be put into operation at the earliest opportunity after they have come into power. Like 115 other members on this side of the House, I was elected on a protective policy. I represent a progressive constituency and a farming community, and speaking for the farmers of South Essex, whose very existence depends upon protection and whose progress has been very seriously hampered by unfair competition, I stand behind a leader whose policy it will be to promote such conditions as are vital to the welfare of that constituency among others.

There are 116 members on this side who are united behind one leader with one policy and one principle that of a unified Canada. That leader is courageous, outspoken, straightforward and honest, and 116 men are pledged to him both in heart and in mind. With confidence they stand behind him ready to assist in the passing of legislation by means of which every section of the country and every citizen of this Dominion will be benefited, regardless of their political affiliations or their standing in their respective communities. That policy is a policy to build up Canada and to elevate the morale of our citizens,

and that policy will be acceptable, I am sure, to every section of Canada. Our policy is one of adequate protection to all classes, a policy which will be conducive to Dominion-wide prosperity on the farm, in the factory and in the home; and in that policy lies the only solution for the problems of our war and railway debts and the exodus of our boys and girls to the United States. In it lies the solution for the problems also of our present ruinous taxation and the burdens under which the Canadian people are labouring to-day. Our policy offers to this country an aggressive and economical government under stable and fair conditions by means of which we may all achieve prosperity, stimulating immigration, bringing back our people from the United States, expanding our revenue and reducing our taxation. For if we are to prosper as a nation we shall do so not by looking backward and attempting to retrieve the mistakes of the past, but by looking forward and making a gigantic preparation for the things that are to be done.

Mr. A. U. G. BURY (East Edmonton): I have taken the liberty of breaking what I understand to be an unwritten rule, namely, that when members address the House they should do so from their own seats. I am speaking from the seat of another member in order to save the strain on my own voice and the strain on the hearing powers of hon. gentlemen, who I assume—though possibly the assumption is gratuitous—will want to hear what I have to say whether they agree with it or not.

We are drawing to the close of what must be in the memory of even the oldest members of this House an extraordinary experience, perhaps one of the most extraordinary chapters in the history of parliamentary procedure. The hon. member for Peace River (Mr. Kennedy) in the course of an excellent address, dropped, like Silas Wegg, into poetry, and expressed the hope, in the words of Burns, that some god might give either to the House or to some party in it, possibly to hon. gentlemen opposite and to the government, a vision of themselves as they appeared to others. I want to try in a few minutes to answer that prayer, and as a kind of deus ex machinâ to show to hon. gentlemen opposite, and especially to ministers on the treasury benches, how they and their actions, during these weeks that have passed since we gathered here as a parliament, have appeared to a humble back-bencher of this House.

At the call of the acting government we assembled on January 7. The first message which we received was from the crown through the lips of the Speaker of the Senate. We were told in that message that it did not please His Excellency to state to the House the purposes for which parliament had been summoned until a Speaker should have been elected. We returned then to this chamber and did what, so far as gentlemen on the opposite side and the government are concerned, was the only proper and efficient piece of business which they have accomplished in the past weeks: I refer, Sir, to your election to the chair of this House. I would give the government more credit for that but for the fact that there is a lurking suspicion in my mind that they did it rather under the influence of that law, the only law they appear to know, the law of inertia. You, Sir, had been elected as Speaker in the previous parliament and it was the easiest thing for the government—although of course they received the hearty concurrence and unanimous approval of all members of the House—to yield to the force of that law of inertia, which is the law of their being, and follow in the footsteps of the previous parliament.

The day following we attended in the Senate chamber to hear the Speech from the Throne. We expected that it would be a speech setting out, as on the previous day it had been stated it would, the purposes for which this parliament had been summoned. We knew what those purposes were, because the Prime Minister had himself drawn up and published in the Ottawa Journal of November 5 the reasons that should govern him in bringing parliament together. The government met as soon as possible after the election, said the acting leader of the House (Mr. Lapointe), and having considered the situation the leader of the government tendered his advice to His Excellency. And what was that advice? In a statement which he issued and which appeared in the Ottawa Journal of November 5, the Prime Minister stated:

> After several interviews with His Excellency at which the position brought about by the recent general election was fully discussed and all alternatives presented, I have taken the responsibility of advising His Excellency to summon parliament for the earliest practicable date—

—For what purpose?

> —in order to ascertain the attitude of the parliamentary representatives towards the very important question raised by the numerical position of the respective political parties.

That was the advice tendered by the Prime Minister to His Excellency, and His Excellency accepting it, parliament was summoned accordingly. We then attended in the Senate chamber to hear the Speech from the Throne, and some of us expected to hear a statement

along the lines of that published by the Prime Minister himself on November 5 as it appeared in the Ottawa Journal. What as a matter of fact did we hear? We heard something absolutely different; we heard a Speech from the Throne prepared by an acting government which assumed that it would continue in office and which came down in the normal way to carry on the business of the country during the session. There is no doubt as to the attitude of the Prime Minister; there is no doubt as to the attitude of members of the government and their followers, on this point. Not merely did the leader of the House endorse this statement of his leader published in the Ottawa Journal, but he said on the very next day, the day we heard the Speech from the Throne:

We say we were justified in retaining office and summoning parliament—

For what purpose?

—to ask for the decision of this parliament as to who should be its executive.

That is why we were summoned. Then again the Solicitor General (Mr. Cannon) on January 11, followed exactly the same line. He said:

The question before us was a very simple one. It was whether the government had the right, first of all, to meet parliament; and, secondly, whether the government was justified in asking the members of the House of Commons—

To do what? To consider a Speech from the Throne with a full-dress programme of legislation? No. But—

—to decide whether the government should remain in power or whether another administration should be formed.

Again the Solicitor General adopts his leader's position at page 61 of Hansard where on the same date, he is reported as saying:

After the elections the Prime Minister took the following position: This government will remain in power until parliament meets. . . . Now the Prime Minister had to face a novel situation, as I have tried to prove, and not only a novel situation, but a difficult situation. A man with ordinary conceit might have thought he had enough experience, enough judgment, enough personal perspicacity to advise His Excellency, but the Prime Minister took another stand. He said, "It does not belong to one man in Canada, no matter how exalted his position may be, to decide a situation so novel and so difficult. I will have the greatest, the highest and the most competent tribunal of the land to decide it, and instead of giving my own personal opinion I shall ask the two hundred and forty-five representatives of the people to make the decision."

Was the Prime Minister justified or not? Well, had hon. gentlemen consistently followed the principles laid down in the statement published in the Ottawa Journal of November 5; had they consistently followed the statements and arguments of their own speeches; had they consistently observed their position as they themselves over and over again in no ambiguous terms described it, I for one, whether it was constitutional or not, would have had no fault to find with them. But they did not. Knowing very well what that position was, that they were to meet parliament and put before it as its prime business —as its only business until that was cleared away—the question: Who is to govern this country; what government is to be the executive of this House—knowing that that was the position, they never say a word about it in the Speech from the Throne. What was the kind of Speech from the Throne some of us might have expected under the circumstances?

Let me analyze the actual Speech for a minute. It starts with a few paragraphs that are innocuous—perfectly natural and perfectly proper; a paragraph of welcome; a paragraph referring to the lamentable death of Queen Alexandra; a paragraph recording the appointment of a member of the government as president of the sixth assembly of the League of Nations; a paragraph of congratulation on the growing prosperity of agriculture and trade. All of those were perfectly proper

But how should the Speech from
4 p.m. the Throne then have continued?
Surely it should have proceeded,

along the lines of the Prime Minister's own statement in the Ottawa Journal, to say that his ministers had advised him to summon parliament and submit the question which the electors, he said, had not already settled on October 29. But in the Speech from the Throne there is not a word of the purpose for which parliament was summoned. This is what follows: Legislation regarding proposed reduction of taxation; regarding reduction of expenditures; regarding consolidation and co-ordination of departments; regarding simplification of forms of public accounts; regarding measures to obtain settlers and encourage those who have left the land to return; regarding special arrangements for settling crown lands; regarding rural credits; regarding the appointment of a tariff advisory board—which was to take place at once; regarding a trade agreement with the British West Indies; regarding the Hudson Bay railway—which was to be completed at once; regarding the appointment of a royal commission on Maritime rights; regarding the transfer to the province of Alberta of its natural resources; regarding the amendment of the Dominion Elections Act, and the estimates

for 1926. Yet the government comes to this parliament and says, "Gentlemen, we do not know who the country wishes to govern. On October 29 the issue was not settled." We say it was. We say the ordinary elector on the street knows it was. We say that if at any period of parliamentary history the electors of any country told any government they had lost their confidence, the electors of this country told this government so on October 29. But I accept for the time being the premiss of the Prime Minister; I will suppose he is correct in saying that the electors had not decided that point on October 29. What follows? He says: "Since the electors of this Dominion did not decide that on October 29, I am going to leave it to the members of the House to decide." But instead of coming here and leaving the members of the House to decide untrammelled—leaving them in the same position as the electors were on October 29—as he should have done, he brings down a full-dress Speech from the Throne packed with prospective legislation.

It is done, and it cannot be undone. But it is setting a precedent which is extremely pernicious. I want to make that point very clear to hon. gentlemen on my left. I have the highest regard for them, and the fullest belief in their integrity and purity of purpose. I know some of them personally. I do not believe they recognize and realize all that lay by way of implication in the—I dare not say, dishonest conduct of the government. What does it matter if we cannot say it here? They can say it outside—I repeat, I do not believe they recognize and realize all that lay by way of implication in the conduct of the government in professing to leave this matter in the hands of parliament as it was on October 29 when the electors, the Prime Minister said, failed to give a sufficiently articulate and distinct and pronounced judgment. No, instead of that we find this state of affairs.

Mr. MacLEAN (Prince): Will the hon. gentleman permit a question?

Mr. BURY: Certainly, sir.

Mr. MacLEAN: (Prince) Can he quote a precedent where parliament was summoned without a Speech from the Throne being brought down?

Mr. BURY: I am glad the hon. gentleman has asked me that question. I did not suggest that this parliament should be opened without a Speech from the Throne, and had he been following me as he should if he desired to use his opportunities to the best advantage, he would have known that I suggested that the Speech from the Throne should follow the present speech for the first four or five paragraphs, but when it came to lay down the policy and proposed legislation of the government it should have halted and left it to this parliament—as the Prime Minister said it was summoned to do—to settle the question the country had failed to settle on October 29. He did not do that.

Mr. MacLEAN (Prince): When would the hon. gentleman suggest that the remainder of the Speech be brought down?

Mr. BURY: I will answer that, Mr Speaker. Surely the hon. gentleman will not be troubled by precedents? Why, the argument of the Solicitor General was that the position was so extraordinary, so novel and so difficult that precedents were not on the page at all. We could not look at them; for there were none to look at. We had to let the flexible, pliable constitution of the British Empire adjust itself. It was a thing of rubber or wax; it could be adjusted to any emergency, and we were to adjust it to this emergency. I suggest that common sense and honesty would have adjusted it in this way, by bringing down a Speech from the Throne along the lines that I have mentioned. That would have been honest and straight; it would have been according to the position of the Prime Minister himself, and then when parliament had decided which government was to hold office, another Speech from the Throne could have been brought down, if you choose, setting out the legislation proposed.

I will deal with that later on. But just here, may I say that the argument of the hon. Minister of Customs (Mr. Boivin) amply bears out my position? What was that argument? It was this: He impressed upon the members of this House and more particularly upon hon. members to my left, that this party was guilty of a heinous offence. Why? Because it brought in an amendment which, had it passed, would have rendered the Speech from the Throne a farce, nugatory, abortive. In other words, his argument was this: A Speech from the Throne has been delivered by His Excellency; the Conservative party have brought in an amendment which, if it passes, will make it impossible to carry out or even consider that Speech; then another government will have to come into power and another Speech from the Throne will have to be delivered. I asked him the question: Supposing this motion of ours had not been proposed at all; supposing on the very first day, when the hon. Minister of Justice (Mr. Lapointe) brought forward his resolution, we

had said, "All right, put it to the House," and the motion had been voted down—and the Minister of Justice did not know which way the House was going to vote; the House was to be perfectly free; he could not tell what the result of his own motion was going to be—what then? Would not the very same result have followed the defeat of that motion; and the minister admitted it would. The very same results would have followed as would have followed the carrying of our amendment. The head and front of our offence therefore is this, that we introduced a resolution which prevented the government from introducing a resolution which, if it had been defeated, would have made the Speech from the Throne a farce. That is what follows.

The next phase was that the Minister of Justice rose in his seat and sought to justify the action of the government. The argument he used was this: This is not an abnormal situation; it has occurred over and over again in British parliamentary history; we have precedents for what we have done. And he produced his precedents; but the trouble about them was that although they were very good as precedents, they did not precede this particular situation. They were like the address, which any members of this House who have read that amusing story The Lunatic at Large, will remember was given by the lunatic to the lady whose sympathies and help he wished to enlist in his attempt to escape from the asylum. He told her that he had been at one time a clerk in holy orders and that his permanent address was: "care of the Archbishop of York, Bishopthorpe Palace, Yorkshire." The next time the lady met him she taxed him with the fact that her letters had all been returned with the endorsement "Not known," and she asked him if the address he had given her was a real address, "Oh, yes" he said, "it is a real address, but the trouble is it never was mine." Well, the Minister of Justice gave us precedent after precedent, and the only trouble was that the precedents did not fit. Precedents? A plague on the precedents! There is no precedent in British parliamentary history that is on all fours with the situation with which we were faced when we came to this House on January 7th. You may find a precedent for a party that has not a majority continuing in office; I grant you that. It may be you can find a precedent for a party with only the second largest group in the House continuing in office; suppose I grant you that. But that was not this situation. Shall I tell this House what this situation was? A Prime Minister with a majority in the last parliament over all other parties combined in this House, a small but actual majority; a Prime Minister—and here is the second phase of the situation—who goes up and down the country telling the people he cannot govern with a small majority over all other parties combined; who says there are great issues and great political measures that must be passed if the country is not simply to continue marking time; who says that if he does not get a majority over all other parties combined he will not consent to continue to hold office but will go back to the country for what is absolutely essential, a majority of Liberals over all other parties combined. The third phase of the situation is a Prime Minister who, going with that programme and with those professions to the country, is turned down by the electors and comes back to the House, not with a majority over all other parties combined, but with a minority under all parties combined of about 43, if my recollection is corect. And that is not the only thing. With nine cabinet ministers slain, including the Prime Minister himself. This, forsooth, is retaining the confidence of the country! I am carried back in thought to those halcyon days of freedom, the days of the cane and the imposition,—the dirty inky fingers, the tousled hair and the pain and penalties of learning Southey's Battle of Blenheim. I remember the scene. Old Kaspar sitting in front of his cottage in the evening sun, with his little granddaughter Wilhelmine sporting on the green, and Peterkin her brother finding a skull by the river in the ground that had once been the stricken field of Blenheim, bringing the skull to his grandfather and asking, "what does it mean?" The old man told him that it was a relic from the field of Blenheim, and described how thousands of men lay rotting in the sun the day after the great battle; and this is the moral of his story:

> But things like this you know must be
> After a famous victory.

On the 29th day of October I can imagine the Prime Minister and his lieutenants and henchmen looking down over the stricken field as it lay, after the ballots had been counted in that great election, and I can imagine him telling the tale of the skulls—one, two, three, four, five, six, seven, eight, and then, more wistfully, nine—his finger falling most tenderly on his own. I can picture him as, his indomitable spirit rising within him, he turns to one of his henchman and cries: "Graham, what do you call it? Defeat? Not defeat Graham! Things like this you know must be

after a famous victory." If that is the right hon. gentleman's conception of a victory, God save us from a defeat.

Hardly had we adjusted our minds to this argument of precedent when lo and behold! the Solicitor General (Mr. Cannon) rises in his seat to tell us that the situation was so novel and abnormal that no precedent could be found for it, and we had to manufacture precedent ourselves. That was his position absolutely. The British constitution, however, he said, was so flexible, so pliable, that it could adjust itself to any emergency and he cited, by way of proof of that, instances in British history of two kings, one a king who had lost his country because his subjects—shall I say, his constituents?—got so utterly disgusted with him they told him they did not want any more of him. I appreciate the analogy. I think it was a wonderful piece of intellectual effort on the part of the Solicitor General to discover the analogy and the precedent. Then he went on to tell us of the other precedent, of the king who lost his reason—a more important thing, reason, although the reason may not have been of the highest quality; still it was all he had. I wonder if the right hon. gentleman will fear a Greek bringing him a gift? If not, I, as a very humble back-bencher on this side of the House would venture to offer a third precedent, that of a king who lost his head, which he could not get back. And so we have the four kings, as we have in Scottish history the four Marys. We have the king who lost his country, the king who lost his reason, the king who lost his head, and the King who lost his seat, all triumphant examples of the flexibility of the British constitution, and its power of self-adjustment to any emergency however novel or great. Well, if the Solicitor General is right in his argument, what becomes of the argument of the Minister of Justice? The lean non-precedent kine of the Solicitor General have eaten up the fat precedent kine of the Minister of Justice; yet are they none the better favoured therefor. Ultimately, Mr. Speaker, the House voted after all, under the tactics and manipulation of hon. gentlemen on the treasury benches, that this was a genuine government, and that it was fit to function. We on this side of the House bowed to the will of parliament and said, "Very well, proceed to function." To our amazement, at once a look of pain, of disgust, of horror, and amazement passed over the faces of hon. gentlemen on the treasury benches. They said, "Heavens! How can you expect us to function? We cannot function without a six weeks' adjournment. We are not a government; we are only a relic of a government, a remnant of a government, a dilapidated derelict of a government. We have no head, or arms, or feet; we are only the trunk of a government." Some hon. gentlemen opposite sufficiently conversant with English parliamentary history might say, "We are only the rump of a government. You cannot expect us to do anything." No, I do not know that I expect the rump of a government to do anything except to sit still; and I think they have done that admirably.

May I give this House an incident in British parliamentary history, that is not uninteresting, nor is it quite irrelevant? In the early eighties the leader of the Irish Unionist party in the House of Commons was Arthur MacMorrough Kavanagh, the lineal descendant—the real lineal descendant and not a bogus claimant—of one of the old tribal kings. He had a beautiful place. He was very wealthy. But God had seen fit that he should be born without arms and without legs. He was the type of being of whom one might say in the words of Portia to Nerissa: "God made him, and therefore let him pass for a man." He might have shut himself up as a recluse in his beautiful home, but he chose to knit his teeth and plunge into public life to serve his people and his country, and he went to parliament and became, and acted for some years as, the leader of the Irish Unionists in the House of Commons. He was carried, like a sack of potatoes, by his valet or footman to his carriage, from his carriage to the train, from the train to his yacht in Kingstown harbour, from his yacht in the Thames to the terrace of the House of Commons, and thence he was carried and put down, like a sack, in his corner seat in the chamber, from which for years he led his party. If this trunk of a government had the head that crowned, and the spirit that animated the misshapen body of Arthur MacMorrough Kavanagh they would never have asked for a six weeks' adjournment, they would have gone on with the business of their country.

Now, Mr. Speaker, I come to a subject with which I wish to deal at some length. In my first speech I—shall I say threatened, or shall I say promised?—that is according to the attitude of mind of hon. members—that I would deal with the question of Alberta coal, which is such an important question in the province from which I come—

Mr. ROBICHAUD: Under our constitution is it not proper to allow the majority, even constituted as this one is, to rule?

Mr. BURY: My hon. friend has missed the point altogether. I am taking the Prime Minister on his own ground. His argument

is: "I went to the country on the 29th October for a verdict. I did not get my verdict. I ought to go to the country again, but it is too expensive. I will as the next best course go to the representatives of the country in parliament and ask them to say what the country did not say." He should therefore have put this question to us here in parliament, without a King's speech which contained a programme of legislation; that was absolutely inconsistent. What he has done is done. He has got his following in this House by means that I, at least, if I were in his position, would not stoop to use. The hon. Minister of Agriculture makes an observation which I did not catch. I am sure, however, that it is on a par with the other remarks which have fallen from him.

Now, I said that I would address myself to the question of Alberta coal, and the movement of Alberta coal into the central parts of this Dominion. Members of this House who are not too far removed in years from their school days—I do not say their college days but their school days—will remember the romance attaching to the parentage of Thomas à Becket. His mother, like the lady in the Bab ballads, was a Saracen maiden and his father, Gilbert Becket had met her while serving overseas. When the armistice, or whatever it was called in those days, was signed Gilbert Becket returned to his own country of England. The lady was naturally lonely and decided to follow him. But the trouble was she knew only two words in English—the name of the capital city "London," and his own christian name "Gilbert." However, by dint of calling out "London" long enough she got to England; and then by calling out "Gilbert" long enough on the streets of London she finally came across her warrior and they were married, and gave birth in process of time to that great ecclesiastic, who became such a thorn to his king, Thomas à Becket. I am reminded of this incident because prior to the 29th October my constituents dinned into my ears two words, "Ontario" and "coal." On the 29th October I succeeded by virtue of these two words, Ontario and coal, in capturing the seat of East Edmonton. My constituents sent me here with these two words as the chief words in my vocabulary, and told me to come here and effect a union between Alberta coal and the Ontario housewife—not a temporary liaison, as the Minister of the Interior apparently desires, a kind of emergency union while the legitimate spouse of the Ontario housewife, American anthracite, happens to be out of the field, or away from home. I would not tolerate that, and I am amazed at a man like the Minister of the Interior, brought up in a proper home like myself and with all godly influences around him, from his childhood, suggesting such a thing. Nothing less than a legitimate, permanent, stabilized, undivorceable union—if you can get such a thing—between the great coal mines of Alberta and the housewife of Ontario will satisfy us in the former province.

Now, what are the facts in connection with this question? The first is the fact that in Canada—I am sorry to trouble the House with statistics; I, myself, hate them. I can never remember them, and I do not think they do much good—we have one-sixth of the known coal measures of the world. In Alberta we have 85 per cent of the known coal measures of Canada. We have therefore in Alberta 14 per cent, roughly speaking, or one-seventh, of the known coal measures of the world. There seems to be no reason why, with those enormous coal resources within our province, we should not be using our own coal, rather than spending on American coal the millions of dollars we are sending out of the country at present.

On the other hand, Ontario is virtually without coal. It would almost seem as if there were a Divine purpose in that, and that there should be a union between the two parties, the one supplying what the other lacks. At any rate, that is the view we take in Alberta. By reason of that, attempts were made at various times by those who are interested in the Alberta coal, the Alberta government and the private operators, to make experimental shipments and to capture the Ontario market for the Alberta operator and the Alberta mines. I am not going to do more than briefly sketch these attempts, but I do so because I want this House to realize the enormous amount of labour, energy, time and money that have been expended in the attempt to get Alberta coal into the Ontario market: I do so because, if we are now to lose this market, the whole of that expenditure of time, money, energy and thought will be lost, and we shall have to do the same thing over again to re-capture what we now have. These efforts in brief were as follows: in 1922, the very day Premier Ferguson took office as Premier of Ontario, a conference was held in the city of Edmonton between the Canadian National Railway officials, Sir Henry Thornton, the Canadian Pacific Railway officials, the Alberta government and the Alberta operators, with the result that an arrangement was reached by which 6,000 tons were moved at a secret rate. The ar-

rangement at first was to move 4,000 tons, but the amount in fact moved was 6,000. I do not know whether I am at present authorized to divulge what that rate was, and, being in doubt, I will not divulge it. It was a low rate. Then in 1923, private interests attempted to continue this movement. The Edmonton Journal and the Ottawa Journal between them—and the greatest credit is due these and other journals in the matter—arranged for a trial shipment of one car to Ontario for demonstration purposes, and domestic consumption in small lots. In the same month another car was shipped by the Edmonton Journal, the Toronto Star and the London Free Press; later the same month a third car was shipped by the last-named papers, and in the early spring several cars were shipped by the Alberta government to the Ontario government. On all these cars the full freight rate of $12.70 demanded by the railway was paid. The Ontario consumer got the coal at considerably less than that rate, because the coal was donated, and the difference between what they paid and the amount of the freight rate was borne by the Alberta government, by the coal operators and by the newspapers themselves. That shows you that this was not an attempt on the part of those interested in the Alberta coal movement to saddle the whole burden of the experiment on the governments. The authorities and individuals mentioned did yeoman work, heroic work, in trying to capture a market in Ontario for Alberta coal, and they are merely asking now that what they commenced, and what they possibly succeeded in accomplishing, shall not be allowed to slip away and become of no avail.

Attempts were made following that initial movement to get the federal government to take action. I should like to review briefly what those attempts were. A letter was written by the Trade Commissioner of Alberta to the Minister of the Interior in April, 1924, regarding a proposed shipment of 200,000 tons. On May 7 a further letter was written by the commissioner to the same minister, and there were interviews at Ottawa. Finally on the 17th July, after considerable correspondence and a number of interviews, this House voted $200,000 for the purpose of assisting a test movement of coal from the province of Alberta to the province of Ontario. I have copied from Hansard the particulars of that vote. I am not going to trouble the House with it beyond saying that it refers practically entirely, excepting a reference at the end, to a shipment of Alberta coal. The Minister of the Interior said:

There is a demand at present from western Canada—

[Mr. Bury.]

Western Canada mark you—

—for a trial shipment, and while I have put this sum in the estimates for the purpose—

That is for the purpose, according to the language of the minister, of shipping Alberta coal to Ontario.

—I am doubtful whether under existing conditions we can carry out the experiment.

But $200,000 was voted by parliament, earmarked for that purpose. Now what happened? After that vote nothing was done until August. In August there was a conference at Edmonton between the Minister of the Interior, Sir Henry Thornton, the Trade Commissioner of Alberta and the Premier of Alberta on the subject, at which it was decided that it was then too late to do anything, although $200,000 had been voted on July 17 for that express purpose. The decision to do nothing then was due to the imminence of the grain shipment, and perhaps to other reasons; but the further decision was arrived at that the shipments should commence May 1 of the following year.

On September 3 we have the next stage in the movement. An order in council was then passed on the recommendation of the Minister of the Interior providing for the payment of a portion of that $200,000, namely $20,000 to the miners of eastern Canada. Still nothing was done to assist the Alberta coal movement, although $180,000 lay in the hands of the government ear-marked by parliament for that purpose. On February 25 the order in council which had allocated and paid over the $20,000 of this money to the eastern mines came for the first time to the notice of the Alberta authorities, and they naturally protested. The result was an interview given by the Minister of the Interior here in Ottawa to some of the Ottawa papers. The interview reads:

The proposal, said the Hon. Charles Stewart last night, originated among the mine owners of Nova Scotia.

But I have just read to hon. members from Hansard a statement in which the Minister of the Interior explained the vote of $200,000 and justified it to parliament as being for the purpose of assisting the movement from the west. In anything I am saying I am not in the least out of sympathy with the claim of the east for assistance. I am only dealing with the action or inaction of the government, or of the Minister of the Interior—although I do not think he is personally to blame; I think there was some other influence operating behind him to explain his inaction in respect of the Alberta movement. I simply want to show that the people of the west, the

coal interests in Alberta, and the people in Ontario who want the movement fostered and helped have been receiving no assistance whatsoever from the government. The minister said:

> The proposal originated among the mine owners of Nova Scotia, but I was successful in having $50,000 of the $200,000 specially allocated for Alberta coal.

Where and when? The minister does not say. He continues.

> The Alberta interests never made a demand for any portion of the money.

The Alberta government and the coal commissioner had been bombarding him with letters and telegrams, and holding interviews with him, and he had gone to Edmonton and had had a discussion in the August following the vote. Yet we have this statement that the Alberta interests never made a demand for any portion of the money and that if they had done so, it would have been ready for them. That is the next stage in this history of inaction. Ultimately, however, certain shipments were made with the details of which I am not going to weary the House except to say that in 1925 the proposed shipment was reduced from 100,000 tons to 25,000 tons. No actual shipments however were made, nor was anything done, until late in June, 1925, when the rate inquiry came up and Sir Henry Thornton stated in essence: There is a rate inquiry pending, and I am not going to move any coal subject to any check-up, because I am not going to have my books produced for the purpose of a check-up; but since I refuse a check-up I am going to move this coal at a cost of seven dollars a ton. Thus the moving of coal at seven dollars a ton commenced, and I understand 75,000 tons of coal in all have to this date been shipped under that arrangement. That is the position in which the matter stands at the present time.

The attitude of the government has been, as I have described it, extremely unsatisfactory. Hon. members must remember two things: First, that the railroads had stated that they could not move coal at less than nine dollars a ton, $12.70 a ton being their regular freight rate, but they consented to move it at seven dollars a ton subject to a check-up, provided that the government of Alberta and the federal government undertook to pay the difference of two dollars a ton. The attitude of the Prime Minister on that when he came west was: The whole thing is "a huge fake." He did not damn it with faint praise; he damned it by the loudest kind of reprobation and absolute repudiation. On the other hand the leader of the opposition (Mr. Meighen) took the view that it was a matter as regards which the federal parliament should do everything possible to assist Alberta coal to capture and hold the Ontario market; that if necessary for that purpose, an adequate tariff should be imposed upon United States coal; that in any event, after the freight rates to be fixed upon this coal had been ascertained, it might be necessary, and if it were necessary the government should hold themselves prepared, to make some contribution to such freight rates for the desired purpose.

What are the arguments in support of this policy? The first is of course the economic argument. In dealing with that may I refer for a few moments to a report of the standing committee on Mines and Minerals to which this House referred a resolution passed on March 19, 1923? This appears in the Journals of the House of Commons for 1923, in volume 60, appendix 6:

> Ordered that the following resolution be referred to the said committee—

That is the committee on Mines and Minerals.

> That, in the opinion of this House, the time has arrived for Canada to have a national policy in relation to its coal supply and that no part of Canada should be left dependent on a United States coal supply, and that the whole question of fuel supply for Canada together with the question of costs, transportation, desirable interprovincial action and other means whereby Canada may be self-sustaining and self-supplying as regards fuel, and to inquire into the necessity and possibility of supplying substitutes for coal be referred to the standing committee on Mines and Minerals and that the said committee report to the House.

In the third and final report of that committee, at page 7 of this appendix, there is to be found this statement:

> Your committee has heard much evidence from various parts of Canada on every phase of the questions submitted to it in said resolution.
>
> One statement may be made without any hesitation, that is, that it is absolutely necessary that every step possible should and must be taken at once by Canada through its government, its transportation companies, its coal operators and manufacturers of other fuels, to make Canada independent of all other countries for its fuel supply.

That is the economic argument, which was adopted, enforced and emphasized by the report of the standing committee of this House on Mines and Minerals in 1923. Surely there is no need to labour that argument. Ontario has hitherto been dependent upon the United States for her coal supplies. May I give the House just rapidly a few of the statistics dealing with this matter? In 1924, Canada imported from the United States 16,379,337 tons at a value of $64,236,409, and that does not include the freight paid to United States railroads. Such freight therefore must be added

to these figures which represent only the value of the coal at the pit mouth. In 1925, for the calendar year, Canada imported from the United States 15,726,394 tons at a value of $53,754,212. The Ontario imports from the United States are as follows:

1924..	11,425,635 tons
1925..	11,283,179 tons

In addition to these there were imported at the head of the lakes:

1924..	2,171,032 tons
1925..	1,017,220 tons

In all, I think it would be safe to say that every year this country pays to the United States for coal or in freight rates to United States railways for hauling it, the sum of very nearly $150,000,000. It is because of that, and because of the wisdom of retaining this huge amount of money in Canada that we are urging this policy upon the government. The Minister of the Interior said very wisely that in his view coal was almost as important to this country as bread. Therefore we should be economically independent in regard to that commodity which is the very life—the very breath of our industries; and we should retain in this country the enormous sums of money which we are now yearly pouring into the United States.

There is in the evidence given in the Appendix No. 6 already referred to, a statement made by Mr. Butler who, I think, was for five years Deputy Minister of Railways and then for three years head of one of the largest industries in this country. He speaks of the appalling waste in connection with our coal shipments. The actual word in the text is "appealing" but I suppose it is intended to be "appalling." At page 184 of this appendix this statement appears:

> The appalling figures of our coal and coke imports show that it is well worth while to take steps to stop this drain on our earnings. In the four years 1919-20-21-22, we imported 75,381,359 tons of coal at a cost of $320,232,459. In addition we imported 2,237,853 tons of coke at a cost of $18,558,468. Incidentally, had the tonnage of coke been made in Canada, the by-products would have been worth not less than the cost of about 700,000 tons of coal. The average cost per ton of the coke was $8.29 and the average cost per ton of coal, all grades and sizes, $4.25.

So that the actual value of the by-products of coke made in America and imported into Canada, which by-products remained in the United States, was nearly $3,000,000. We have had recently a very vivid illustration of the importance of the economic independence of Canada in the strike which for months tied up the coal fields to the south of us, upon which Ontario was dependent. Had this been a hard winter, who can tell what severities and sufferings the poor of Ontario would have had to undergo as a result of the coal shortage due to the strike in the American fields? But someone says, "Do we not have strikes in the Canadian fields too? You cannot eliminate strikes." My answer to that is this: If we do have strikes in the Canadian coal fields they may be largely because of lack of work and because of poverty of pay, inasmuch as the men are working only in a kind of seasonal and spasmodic employment. But there is something else to be remembered. If there are to be strikes in the coal fields, then let us have them in Canada where we can do something to remedy them. A strike in the American coal fields is beyond the power of this government, or of this House or country to remedy, whereas a strike in our own fields—and we have had an instance of it in the east—is within the powers, the diplomacy, the statesmanship and common sense of Canadian business men and Canadian politicians to settle.

What is the other argument for this movement besides the economic one? It is the retention in this country of the enormous amount of money which we are annually pouring into the United States without any benefit whatsoever to ourselves. Just think; $150,000,000 going out of this country every year into the United States and nothing to show for it in Canada except a product which you could get from Alberta and the Maritime coal provinces.

The next argument is that of population. We have heard in this House how important this matter is. And so it is. To my mind increased population is the solution for the troubles of this country; population is what is going to make the Canadian National Railways pay and what is going to lighten the burden of taxation which is making living in this country so hard for so many people. We in Edmonton have in a kind of microcosm the same problem which we have in Canada as a whole. I told the House in my first speech that we were so sparsely populated in Edmonton that we had about 2⅓ or 2⅙ persons to the acre. We have public utilities extending over 27,000 acres with only 60,000 people to bear the burdens incidental thereto. We can therefore never lighten our burden of taxation in the city of Edmonton unless we fill up the great spaces in that city and have more than two persons to the acre. The same thing is true of the Dominion; we shall never make the Canadian National Railways pay, and so lighten the burden of taxation, until we have a population commensurate with the enormous public utilities which we have established at such great cost and which involve so much in the way of upkeep.

And how are we to get the population? Well here is one way; increase the industries of the country; and in one specific direction, increase the activities in the coal mining centres of Alberta. Do you know that at present the coal mining industry of Alberta just employs about 12,000 miners; that is to say, it supports 12,000 families, assuming every miner to have a family. Now what would happen if the Ontario market were captured for these mines? Instead of 12,000 miners we should have 44,000 employed, supporting 44,000 families. Is it not worth making an effort to bring that about and so solve the population problem, in that district and to that extent at least?

I heard the hon. member for Queens-Lunenburg (Mr. Duff), whose profession I infer is an easy one, say that the whole trouble was that there were too many coal miners; and I think I have heard the Minister of the Interior (Mr. Stewart) say that there is over-production. What an argument to be used in a country which is crying out about the necessity for getting more people! Hon. gentlemen say we have too many mines and not enough work; we must shut down the mines, and discharge the men; and at the same time they are putting millions into a huge machine working to get people to come out to this blessed country of ours for the work that is waiting for them on the streets of our cities and in the farms in our agricultural districts. It is a farce. But for the look of perennial youth on the faces of gentlemen on the treasury benches I should imagine that they were contemporaries and collaborateurs of the late lamented W. S. Gilbert or of the late "Lewis Carroll," because some of their projects and their proffered solutions for the problems with which we have to cope are Gilbertian or might come out of a book as quaintly paradoxical as Alice's Adventures in Wonderland. What remedy is there in closing down the mines or in preaching over-production? It is just about as good a remedy and as effective a solution as that made by the Hatter at the Mad Tea Party, when he interrupted, "I want a clean cup; let's all move one place on." No one got any benefit from that except the person right up at the top. There was a clean cup above him and he got it; but so far as the others were concerned they simply moved up from one dirty cup to another. And the remedy which hon. gentlemen opposite offer for our population problem is just about as sane; when they preach over-production and talk about closing down the mines they are suggesting something as ridiculous as anything that ever appeared in the craziest phantasm of any humorist such as Gilbert or Carroll.

Now that is the third argument, the argument in regard to population. Before I close on this point may I say that in my native country—at least they say it was there—there was a lunatic asylum, or a place where they ministered to the mind diseased, if you choose to put it that way, in which the medical superintendent had a simple way of finding out whether a patient had recovered his senses. In a large room were several basins each fitted with three taps. These taps were set running and the patient to be tested was told to fill a basin. The waste pipe was left open. Some of the patients after noticing that their basin did not fill would turn on all the taps until the water was flowing in with its full force. If they did nothing more they were brought back to their rooms as still mentally unsound. If a patient, however, after observing that the basin was not filling, suddenly reached for the plug and put it into its hole the attendant would say to him, "You are all right, my man, you can go out; you are cured." In this country the government and other institutions are pouring out millions of money to secure immigrants. Yet so far they seem never to have thought of putting in the plug. The only way to put in the plug is to see that every man who is willing to work has an opportunity to get it, and to make conditions such for the farmer that he will be happy and satisfied with farming and disinclined to leave Canada, and that his sons will not want to abandon farming for some other occupation—perhaps less honest.

What are the objections to this movement of Alberta coal? Only two. One is that it is not suitable to the Ontario consumer. Well, I heard that objection during the course of my campaign, and sometimes under rather ludicrous conditions. The Minister of the Interior (Mr. Stewart) following his leader, the Prime Minister, had damned the whole proposition of a movement of Alberta coal to Ontario as a huge fake. He had not used those words, but his leader had, and he himself had discountenanced the movement . In consequence, the Liberal candidate running in my riding had, of course, to follow suit. He got up on the platform and suggested that Alberta coal was no good for Ontario. The gentleman who made this statement was Mr. McLennan, the candidate for the Liberal party. Here is the answer which appeared in the Edmonton Journal of the next day:

The reason why the Alberta coal question is so unsettled can be fully realized now when Mr. A. R.

McLennan, Liberal candidate for East Edmonton, one of our own citizens, after living here for twelve yers, makes statements as follows:

"The general opinion seems to exist among the coal men of the city that Alberta coal is not adapted, with one exception (the Lakeside coal), to the Ontario market."

Then follows this comment upon that statement:

This statement in view of the facts is so misleading that we, the undersigned, wish to place the facts before the public. Below is a letter from a customer of a car of coal sold by Mr. McLennan in his own home town in Ontario two years ago for one of the undersigned local mines:

GLENCOE, ONTARIO, Sept. 19, 1923.

CROWN COAL COMPANY LTD.,
Edmonton.

DEAR SIRS:

We understand that from October 1 for one month the freight rate on coal will be seven dollars a ton. If so, please ship us two carloads of coal, egg size, and two carloads of lump coal. Ship one car of each kind as soon as possible at the low rate, and the other car of each kind at the last of October. We might say that the coal we received from you was most satisfactory in every way.

Thanking you for past promptness and trusting to get the same in future.

Yours truly,
MOSA & EKFRID CO-OPERATIVE CO., LTD.
J. S. MCALPINE, Mgr.

Can there be any doubt in Mr. McLennan's mind or anyone else's as to the fitness of Edmonton and Clover Bar coals for Glencoe, Ontario, Mr. McLennan's old home town?

We the undersigned have never received one complaint from Ontario customers but have hundreds of unsolicited letters as above.

It is up to you, Mr. McLennan.

In other words, the very man who two years before had sold Alberta coal to Ontario consumers, and knew how anxious they were to obtain it—that they were in fact asking for further shipments—gets up on the platform, and because his leader had told him the movement was a fake, and because his running mate in West Edmonton as Minister of the Interior had discountenanced it, in the teeth of his own knowledge, states that, in his view apparently, Alberta coal is no good for Ontario. Well, Mr. Speaker, I have here letter after letter from various coal companies in this very province, some of them of very recent date, written in reply to my personal inquiries, and every one of them testifying to the fact that the coal is excellent, that it is comparatively smokeless, and gives great heat. All the writers are concerned about is that they cannot get enough of it. I might perhaps read a few of these letters. The first is dated January 20, 1926:

5 p.m.

All the shipments of Alberta coal we have had so far have arrived in good shape, and while the most of it has been delivered to our customers direct from the car, we did stock and hold two cars this summer from about August until November and found very little if any depreciation.

As to quality and adaptability, all those who bought this coal were entirely satisfied with it, and wanted to get more of it, but as our requested allotment was cut in two we could not supply the demand.

We have recently tried to get more but are advised that as we got our full share in July we cannot expect further supplies until some new arrangement is made.

Here is a letter also dated January 20, 1926:

Our shipments have been most satisfactory in every respect.

We had a shipment of twenty cars last August, and we sold every ton of it direct from the cars. We have another shipment of five cars on our siding now, which is also all sold, and we are delivering it as fast as we can.

We could have handled a great deal more of it, but could not get it. Both shipments arrived here in first-class condition, and most of the second shipment went to customers who had some of the first lot. We have had a good many of our customers tell us that they would never use any other coal if they could get Alberta, and a lot of them have been quite enthusiastic about it. In most cases they seem quite surprised that there is no smoke from this coal.

We would be very pleased indeed if we could get more of this coal at once. We could handle a lot of it yet this season if we could have it shipped now.

Here is another letter of the same date:

All the coal received was excellent burning coal and gave very good satisfaction.

There are too many of these letters for me to trouble the House with them all, but they all are along the same line. I have the assurance of the Alberta Fuel Commissioner and of the Alberta coal operators with whom I have corresponded that they have not on file a single letter that is not equally appreciative of the quality and heating power of this coal.

The only remaining question is this: Assuming that Alberta coal is all that it is described to be, assuming that the Ontario consumer will have his or her needs perfectly met by this coal, is it possible to carry it economically from the Alberta mines to Ontario? On that question there was at one time considerable doubt. The railways said that their proper freight rate was $12.70—the same rate I believe as they charged for wheat. Then they climbed down to $9, saying that this figure represents the actual operating cost. Sir Henry Thornton, as I have already mentioned to the House, rather than have a check up of the actual cost, said, "I will carry 25,000 tons at $7 per ton," and since that offer and its fulfilment he has carried two further shipments of 25,000 tons in each case, making a total of 75,000 tons in all carried at that rate.

The question of the cost of carriage has been gone into already in some measure by the special committee appointed by this

House. I do not want to weary the House to any extent with that inquiry except to say this, that the evidence goes to show that $7 could be made to pay not merely out of pocket costs, but also something towards interest on capital charges or overhead. On pages 231 and 232 of Appendix No. 6 to which I have already referred, Mr. Mallory, the director of the Bureau of Statistics of the Canadian National railway, computes the cost of haulage thus:

	Per Train Mile
Repairs to track and structure..	36.2 cents
Equipment repairs..	140.6 cents
Transportation..	156.1 cents
	332.9 cents

Then he adds 10 per cent for contingencies, or 33.29 cents per train mile, bringing the total to 366.19 cents per train mile. I may mention that he is in error in his addition in one figure, that, namely, of transportation, which according to his own details should total 156.1, whereas he makes it total 166.1. That makes the true total as I have already given it, 366.19 cents per train mile. He takes the double distance then from the coal fields to the Ontario market, charging the full rate for returned empties the whole way, making 4,252 train miles at 3.66 cents, and that works out at $15.77 per ton. But the train on which he bases his calculation is only an 1,800 ton train. The tons he is working with are gross tons, and he is giving the same rate for returned empties as he gives for the full train load. My suggestion is that if concessions and allowances be made on the points which I have mentioned, the actual rate per ton on a 2,000 ton train would be $7,778, and if a 2,300 ton train were hauled, $6.75 per ton or less, and if a 2,500 ton train were hauled, $6.23 per ton. Even on that I am allowing 100 per cent for returned empties.

On page 237 of the same appendix hon. members will find set out the tonnage which can be hauled along the different divisions of the line from Coalspur to Toronto, and if the House will give me leave I will hand that statement in for insertion in Hansard. It will be noted that the gross ton is 2,240 pounds as against the net or short ton of 2,000 pounds. The statement is as follows:

	Gross tons
Coalspur to Main Line..	1,750
Main Line Junction to Edmonton..	2,300
Edmonton to Tofield..	2,000
Tofield to Wainwright..	2,000
Wainwright to Biggar..	2,300
Biggar to Nutana, (Saskatoon Yard).. ..	3,700
Nutana to Watrous..	3,250
Watrous to Touchwood..	2,800
Touchwood to Melville..	3,400
Melville to Rivers..	3,100
Rivers to Transcona..	4,500
Transcona to Redditt..	3,300
Redditt to Sioux Lookout..	3,300
Sioux Lookout to Armstrong..	3,300
Armstrong to Nakena..	3,000
Nakena to Hornepayne..	3,000
Hornepayne to Foleyet..	3,000
Foleyet to Capreol..	3,000
Capreol to Parry Sound..	2,750
Parry Sound to Toronto..	1,900

The main point is this: There is only one stretch, from Coalspur to the main line, where one engine cannot haul more than 1,750 tons. On all the rest of the line, from the main line junction right down to Parry Sound, one engine can haul, according to the grade, at the very least 2,000 tons, and in most cases 2,750 tons, and up to over 3,000 tons.

Looking at it in another way, Mr. Butler at page 175 of the Appendix states that the average earnings of the Canadian National for 1922 were $4.29 per freight train mile. Taking the distance from Edmonton to Toronto as 2,108 miles, a coal train from Edmonton to Toronto obtaining the average freight earnings of $4.29 per mile would earn $9,043.32. If you add 60 per cent for returned empties, which is what I contend to be a fair rate for returned empties, you get a total of $14,469.30, or about $6 per ton on a train of 2,375 tons.

The hon. member for Bow River (Mr. Garland), than whom no member of this House either in the last parliament or in this has taken a more intelligent or active interest in this matter, has set out at page 121 of the same Appendix a detailed statement of what has been estimated to be the actual out of pocket costs, computed on a most generous scale, of the haulage of a coal train carrying 2,370 tons from Alberta to Toronto, and he has ascertained it to be approximately $4.62 per ton. Any member of the House who is desirous of looking up the particulars can get them in Appendix No. 6 at the page I have mentioned.

But even if the railway could not haul coal from Alberta to Ontario at $7 per ton for out of pocket costs, surely it would be worth while for this Dominion government to grant a subsidy, at any rate until the movement had become established, a market created and a volume of freight developed, because it stands to reason that the more coal that is produced in Alberta, the cheaper will the coal be at the pit mouth. The trouble with the ordinary coal miner is this, that he is not working regularly. I have here statistics as to the number of days' work done per year by the coal miners of Alberta,

and it works out at about two or three days a week. In this same Appendix Mr. Macaulay, one of the officials of the Drumheller mine, brings out in his evidence that one of the arguments which the coal miners put up to the operators continually for a rise in wages or for the maintenance of the existing rate of wages is this: that they are not getting regular work; that they have to make enough in one day to keep them living for two, three, or sometimes four days. It stands to reason, therefore, that if you increased the production of the coal mines and gave the coal miners regular employment, they would be prepared to work at a lower rate of pay. It stands equally to reason that if there were a volume of output established from the Alberta mines greater than at present, the coal operators would be content to take a smaller profit on each ton of that output. In point of fact I consulted one of the operators in the Edmonton field, and put that question to him straight. I said this: "Assuming you could get what you want, namely the Ontario market for the Alberta mines, do you think I am safe in assuring the House that the profit of the coal operator and the rate of pay of the coal miner would be reasonably reduced, so as to bring the price of coal at the pit mouth considerably under what it is at present?" He said: "You are perfectly justified in making that statement. What the exact amount of reduction would be I am not prepared to say, and you have no authority to say, but you are at liberty to state that there would be a considerable reduction." Now surely, possessing this great transportation system which we have established, it would pay us, for the purpose of keeping in this country the enormous amount of money that we are pouring into the United States, and for the further purpose of increasing the population in the province of Alberta, to subsidize if necessary, at any rate for a certain period, the transportation of Alberta coal.

There is one other argument I should like to mention, and that is the argument of the unity of this great Dominion. Shortly before 1906, that great tribune of the people in Britain, Joseph Chamberlain, resigned his position as Chancellor of the Exchequer, and went out preaching his gospel of imperial federation and the closer knitting together of the integral parts of this great empire of ours. He preached that we must have not merely a sentimental tie binding the Dominions to the Motherland, but an economic tie as well; there must be such trade relationships between the different parts of the British Empire that the bond of union shall not be merely a sentimental attachment, but also an economic, industrial and profitable one. The same thing is true of Canada. We are a great federation of provinces. In seeking to unite this country we must not depend entirely upon the natural instincts of race and a common allegiance to one parliament and to one crown. We must see to it that every part of this Dominion of ours is economically knit with every other part, so that the well-being of the heart may permeate and pulse to the remotest part of the body. And I say here is one concrete way in which you can show the western provinces of this Dominion that west and east are one, and that we do not have to wait to that day

> Till earth and sky stand presently
> Before God's judgment seat

before west is no longer west and east no longer east, but west and east are one country, with one purpose, and with one great economical and industrial life. I am stressing this point for one reason, with which I shall close.

At an outlay of great time, great trouble, much thought and much money, Alberta has captured, or is capturing, the Ontario market. She has been able to do so only because of the strike in the anthracite mines of the United States. Now I want to put this question to hon. members of this House: The strike in the United States is over. Very soon American coal will be knocking at the gates of Ontario. We have no assurance that the coal movement from Alberta will not stop—at least we had no assurance until the other day. The promise and the pledge and the whole attitude of the Minister of the Interior was that this was only an emergency measure. Even now the last word we have from the government, its eleventh or twelfth hour repentance on this point, is its pledge that it will pay the difference between the seven dollar rate and the actual cost of transportation, or the rate that shall be struck as a result of the inquiry of the railway board, and that only as an emergency measure. What assurance then have we that when the American anthracite industry gets going again and American coal comes knocking at the gates of Ontario, or at the head of the lakes, the government will not say, "The emergency is over, and we are not going to continue helping the transportation of coal from Alberta any longer." I would ask this House to remember that the American coal operator will use every ounce of power and every available resource, will make every conceivable sacrifice, to get back into this Ontario market. He will cut his coal prices to the quick; he will cut his transportation prices to the quick; he will try to shove

out Alberta coal in so far as it is in here already; and if this government proposes to take the position that the moment the American coal industry is able to supply the Ontario market, the emergency will no longer exist; that its promise will be at an end, and that its subsidy or guarantee to the railroads will be withdrawn, what will happen? All our labour will be lost. American anthracite will come flooding into Ontario again. The Alberta mines will again be reduced to the position they were in when I was campaigning in my election: three mines in the mountains shut down—Cadoman, Luscar, and Mountain Park—and other mines working only part time; every mine in the town of Beverly closed except one, and it only working part time. That is what will happen. Is this House prepared to countenance that when through a kindly Providence—if I can call it a kindly Providence—and the strike of the American coal miners, we have got our feet into this market?

I for one shall continue to protest against any inaction on the part of the government, or any failure on its part to keep us where we are and to assist us in endeavouring to get a greater share of the market than we now have. That is the point to remember. The only promise we have from the government is the promise of an emergency measure, and what the House wants to establish and to make the government realize is that it ought not to be an emergency measure but a permanent policy on the part of the Canadian parliament; and that if the American operator with his anthracite coal comes knocking again at the doors of Ontario or the head of the lakes we shall say to him: "Our own kith and kin first." The Minister of Agriculture (Mr. Motherwell) is no longer in his seat. If he were I should remind him of the argument he used when the question of the Australian treaty and its extension to New Zealand was before the House. At that time he was asked the question, "What consideration did New Zealand give for the extension to her of the privileges of that treaty?" and he rose with sublime indifference and said, "I do not know; but I know it is all in the family." Is there any reason why it should not be a case of, "all in the family" in this instance also? If this government is prepared to give concessions to New Zealand without consideration should it not a fortiori give concessions to Alberta for consideration?

The last plea and the last ground on which I leave my appeal is that this House, this government, and this country should see that we do not slip back into the position in which we previously were. With great toil, trouble and expense we have got our feet into the Ontario market. The government should take all necessary steps to ensure that our position in that market is maintained and extended. I am prepared further if need be, to take this position: that the duty on American coal shall be made sufficiently high to ensure that American anthracite shall not be sold here at a price with which the Alberta coal cannot compete. Our dumping clause is a farce. There is nothing in it to prevent United States operators from dumping their anthracite coal into Ontario at a price which would make it impossible for Alberta coal to compete or for the Canadian National railways to transport Alberta coal at any reasonable rate. I wish to make my plea on this particular subject because I foresee that if something is not done in the immediate future a danger faces an industry which is vital to the western province from which I come.

Mr. PETER McGIBBON (Muskoka-Ontario): For nearly seven weeks, Mr. Speaker, the House has been detained here by a rump of a government, the members of which have shown their incapacity to govern or to control this House, yet they have not the good manners to resign. They have, Sir, called parliament together, presented a Speech from the Throne, and started a debate which they are unable to control. They voted for an adjournment and a holiday which they have been unable to get, and now we see them adopting more or less of a side-line in the amendment of the hon. member for Nelson (Mr. Bird) to help them out of the hole in which they have got themselves.

In the debate on the Address in reply to the Speech from the Throne I believe it is the privilege of every member of this House to lay before parliament and the government any pleas that he may wish to make on behalf of his constituents and the country. It is also his privilege, if I understand our constitutional government correctly, even to carry that so far as to move an amendment to the Speech from the Throne in order that he may the more forcibly bring matters to the attention of parliament and place the members of this House on record. The member for Nelson in addressing this House was exercising his right, but when he made the motion which he did, a motion which by the very nature of it precluded every other member of this House from moving an amendment, to my mind he was exercising a right in an arrogant manner; he was proceeding not in accordance with the true spirit of parliament-

ary privilege. Representing as I do a constituency in the province of Ontario, I resent that infringement upon my liberty as a member of parliament.

I was sent here with the expectation on the part of my constituents that I would contribute something toward the solution of the questions which are before the country. This very resolution has to a certain extent precluded me from doing that. If the hon. member for Nelson and his leader—as I believe we must exclude the rest of his party—have no more interest in the affairs of this country than to vote themselves a holiday and an indemnity, their constituents made a very bad choice in their election, and in my opinion the hon. gentlemen should go back and ascertain whether their constituents are willing to uphold their action in that respect. The member for Nelson and his leader were either acting on behalf of and with the knowledge of the government, or they were not. If they were acting on behalf of the government—and I for one believe they were—they are being used as the tool of a government which had not backbone enough to take that action themselves. If they were not acting on behalf of the government, they were applying a gag to this House, something which no member of the Progressive party would do if he lived up to his principles. If the government were not in league with the member for Nelson and his leader they might possibly be excused. If they were in league with him, I say they are adopting a cowardly policy in order to apply a form of closure on this House, a thing which they had not the courage to do themselves. Again, if they were not in collusion with the member for Nelson, then the condition we have in this House to-night is this: that the government, or the supposed government have delegated their authority to the Progressive group and are no longer in control of the legislation of this House.

I ask the Minister of Justice how it is that he has delegated to the member for Brandon (Mr. Forke) the right which is inherently his to control the legislation of this House? I ask him, and I ask the party behind him, would the great Sir Wilfrid Laurier, who led that party to probably the greatest point in its perfection, ever have submitted to such a humiliating position? In effect, the leader of the government is playing the role of a political Lazarus and is begging a promise from the political Dives, the member for Brandon. He has lost control of the House and of the legislation. Nobody knows that to-night better than the Progressive group. This parliament has been in session seven weeks, and what has been our duty and how have we performed it? What is the duty of the government at the present time? Is it not its duty to bring in legislation dealing with the great questions which are before the country to-day? We have nothing but a blank Speech from the Throne which has, in the opinion of everybody both in this House and out of it, been introduced for the one purpose of obtaining the support of the Progressives. I ask that group to-night, is there one of them who thinks the government have forecast that legislation as a matter of policy? Do they think the government did so because they were convinced it was in the best interests of the country? Or do they think it was simply in order to obtain the support of the Progressive group to my left? The question whether legislation is to be introduced in this House on its merits or on the ground of political necessity is a serious one. I ask them further this afternoon, in view of the history of the last seven weeks, whether they think this government can pass that legislation.

Mr. BROWN: Yes.

Mr. McGIBBON: The hon. member for Lisgar says, yes. I might answer him in the language of the late Minister of Finance when he said once in this House that he had not found so great faith, no, not in Israel. The members of the Progressive group know perfectly well that this government is not in control of the House, but that the party under the leadership of my honoured leader (Mr. Meighen) is. Not only does this House know it; the country knows it, and it will not be very long until this government, that knows it just as well, will vacate the treasury benches and my honoured leader will carry on as head of the government. When he takes his seat to your right, Mr. Speaker, this country will have at the head of its government not only a man with a policy that will cure its present ills, but a man that has the courage to put that policy into effect. That is something which is absolutely lacking in the government of the day.

In my opinion the solution of the ills of this country to-day can be summed up in a very few phrases:

1. We must have greater industrial prosperity.

2. We must have more men at profitable work.

3. There must be a diminution of taxation.

4. We must have greater markets for our agricultural people.

Those four things contain the remedy for the ills from which this country is suffering to-day. Over four years ago this govern-

ment were called to the council chamber to sit down as a board of directors to administer the affairs of this great Dominion. For four years they have been doing that, and what has been the result? They have crippled the industrial life of Canada; they have failed to lower the burden of taxation; they have failed to solve the transportation problem; they have sacrificed the agricultural people and they have crucified the labour people on the altar of incompetence and drift.

In that indictment I want to look at their record and the condition of the country to-day. I will take up first the matter of taxation. I find on looking up the consolidated revenue of Canada that this government has taken on an average four million dollars a year out of the pockets of the people of Canada more than was taken during the last year their predecessors were in office. I find that the taxation to-day stands at the enormous figure of more than $627,000,000 or about one-quarter of the total income of this Dominion. That includes of course municipal and provincial taxation. I find that they have failed to keep pace with the other countries of the world; that the United States has reduced its taxation three or four times, bringing it from $54 down to $27 per capita. I find that Australia has proceeded along the same lines, until to-day her taxation is only about twenty per cent greater than it was before the war. I also find that New Zealand has balanced her budget and has to her credit some millions of pounds. Consequently I say to this government that although they have taken more money out of the pockets of the people, their extravagance and incompetence have been such that they have failed to govern this Dominion properly and to restore in Canada that measure of prosperity which other countries enjoy.

For the benefit of my friends from the west I am going to review the taxation of this country. I have in my hand a detailed statement of the consolidated revenue of Canada and I find, for example, that there were collected in round figures, $233,000,000 in customs and excise taxes, $56,000,000 in income tax, $2,700,000 in business profits tax and $32,000,000 in postal tax. I am stating this only on account of the attitude my hon. friends have taken in this House when they have approached members from Ontario and Quebec—an attitude not of one who is pleading a cause, but rather of one who approaches with a stiletto in his hand and a gun on his hip. I feel it is my duty as a representative from Ontario to show these people just who pays the bills. The income tax payments are, in round figures, as follows:

Ontario	$26,000,000
Quebec	20,000,000
Saskatchewan	891,000
Alberta	1,189,000
Manitoba	3,500,000

Thus a large part of the income tax was paid by Ontario and Quebec, by the good old province of Ontario that never grumbles at anything, that is to-day quite willing to pay an additional sum of money in order to get Alberta coal, that is willing to put her hand into her pocket in order to pay to move the coal or whatever is necessary from the Maritime provinces so that we may solve their problems. We are not a selfish people. We believe in a united Canada; we believe in helping the west and the east; but we do not like my hon. friends to put a stiletto into the industries of this country and ruin the market that we ourselves have largely built up. We want to live and to let the others live. No man in this House would more gladly and willingly than I, sit down at a table with my friends from the west or the east and try to solve their problems, even if a bigger tax has to be imposed upon the province I represent or the province of Quebec. There are certain geographical conditions that handicap the people in different parts of this country. I for one believe that the people of the west and the people of the east have both to be helped, and possibly through putting our hand into the national treasury and paying a part of their freight from both ends. Let us therefore clear the decks of that; there is no misunderstanding in that regard, and I am simply putting this before the House to justify the province from which I come.

Let us take now the postal revenue. We collect in round figures $32,000,000 in postal revenue to which the provinces contribute as follows: Ontario $13,000,000; Quebec $5,000,000; Manitoba $3,000,000; Saskatchewan $2,000,000 and Alberta $1,000,000. Next let us take the business profits tax. Of $2,700,000 odd collected, Ontario paid $1,500,000; Quebec $695,000; Manitoba $137,000; Saskatchewan $51,000 and Alberta $48,000. Next I take the revenue of the Department of Customs and Excise. What do we find there? We find that of $233,000,000 collected Ontario contributes $96,000,000; Quebec $90,000,000; Manitoba $11,000,000; Saskatchewan $2,000,000 and Alberta $5,000,000.

Mr. BROWN: How does the hon. member arrive at these figures?

Mr. McGIBBON: I will tell my hon. friend in a moment. Now I realize that this statement is not exactly fair to the west, and I do not want to be anything but fair. Much of the customs duties collected in Quebec and Ontario passes on to the west, but these are the figures that I have obtained from the Bureau of Statistics. Let us suppose however that on a per capita basis every man in the three western provinces paid a sum equal to that contributed by every other individual in the Dominion, the amount paid by Saskatchewan would be only $13,000,000. So much for the analysis of these taxes.

I want to say a word or two now about the income tax, and probably I shall be maligned for what I shall have to say in this regard. I believe the income tax is the most unfair tax which the people of this country have to bear. And why do I say that ? I have here an analysis of the income tax paid in Canada and I am going to quote from it, not in order to disparage any class of our citizens but merely to state an argument. I find that the salaried people paid $62,000,000 —I am giving the figures for the last five years—out of a total of $177,000,000, while the manufacturers paid $56,000,000; the merchants $43,000,000; professional men $11,000,000, and farmers $3,000,000. You will observe at once that the salaried class shoulders by far the largest proportion of this taxation, and I contend that in addition to paying his own tax the man on salary helps to pay everybody else's, for he belongs to the class of people who cannot pass their income tax on to anyone else. The business man, the manufacturer and other classes of our citizens are able ultimately to pass the cost of their business on to the consumer, and among the consumers are the people on salaries. I say therefore that there should be some modification in this tax so as to make it bear more equitably on the people of the country.

Let me point out something to my hon. friends from the west. I have here a statement showing the per capita wealth of every province in the Dominion, and while I will not weary the House now by reading it I will hand it to Hansard. According to this statement the province of Saskatchewan comes first, Alberta second and Manitoba third. Bearing this in mind, let us see what the per capita taxation in the various provinces is. The income tax in Prince Edward Island amounts to 44 cents per capita; Nova Scotia, $1.56; New Brunswick, $1.90; Quebec, $7.99; Ontario, $8.40; Manitoba, $5.37; Saskatchewan, $1.07; Alberta, $1.83. So that the provinces in which there is the largest per capita wealth pay the smallest per capita taxation.

Let us take the postal tax. I find that Ontario pays $4.21 per capita; Saskatchewan, $2.95; Alberta, $2.97; and Manitoba, the highest of the lot, $5.60. I believe that taxation based on the per capita wealth of the country is the fairest, because in that way you more evenly distribute the burden.

Mr. BROWN: Where were those statistics secured?

Mr. McGIBBON: From the Bureau of Statistics.

Mr. BROWN: When they were compiled no account was taken of the mortgage indebtedness of the three provinces.

Mr. McGIBBON: With due deference to my hon. friend, I have a little more confidence in the head of the Bureau of Statistics, so far as these figures are concerned, than in the hon. member for Lisgar (Mr. Brown), and when I am told by the bureau that these figures are correct I accept them. In any case, there is mortgage indebtedness in every province, so that there is no argument in that. The point is that the people in the west have the largest per capita wealth while they pay the smallest per capita taxation.

I beg now to place on Hansard the following tables:

REVENUE RECEIPTS OF CANADA, BY PROVINCES IN WHICH COLLECTED, 1925

Provinces	Revenue of Dept. of Customs and Excise	Income Tax	Business Profits Tax	Postal Revenue Gross	Total of Distributable Items	Interest on Investments	Other Non-Distributable Items	Total Consolidated Fund Receipts
1925	$	$	$	$	$	$	$	$
Prince Edward Island	250,544	38,696	.....	150,162	439,402			
Nova Scotia	3,815,619	847,447	28,335	1,303,451	5,994,852			
New Brunswick	4,660,317	766,597	24,517	1,237,316	6,688,747			
Quebec	90,120,103	20,147,700	695,062	5,982,415	116,945,280			
Ontario	96,093,647	26,059,427	1,526,345	13,067,423	136,746,842			
Manitoba	11,566,985	3,526,473	137,020	3,719,682	18,950,160	11,332,328	11,293,540	346,834,479
Saskatchewan	2,193,537	891,366	51,813	2,468,339	5,605,055			
Alberta	5,106,625	1,189,579	48,366	1,931,190	8,275,760			
British Columbia	18,869,059	3,930,498	192,969	2,288,735	25,281,261			
Yukon	116,269	68,900	.....	.....	197,360			
Miscellaneous	302,532	.....	.....	.....	302,532			
Total Net Revenue	233,095,237	57,466,683	2,704,427	32,160,904	325,427,251	11,332,328	11,293,540	346,834,479
Less Refunds	.....	1,218,640	.....	.....	.....	.....	.....	.....
Net Total	233,095,237	56,248,043	2,704,427	32,160,904	324,208,611	11,332,328	11,293,540	346,834,479

Income tax refunds have never been apportioned by provinces.

NOTE.—The statistics of the above table represent the nearest possible approximation to a distribution by provinces of the revenue receipts of Canada. The figures of the revenue of the Department of Customs and Excise here given are "accrued revenue", and those for postal revenue are the "gross" revenue.

Per Capita Wealth

Prince Edward Island	$1,353
Nova Scotia	1,437
New Brunswick	1,541
Quebec	2,347
Ontario	2,507
Manitoba	2,705
Saskatchewan	3,757
Alberta	3,317
British Columbia	2,604
Yukon	4,058
Canada	$2,525

Income Tax Receipts Per Capita, by Provinces, 1925

Prince Edward Island	$0 44
Nova Scotia	1 56
New Brunswick	1 90
Quebec	7 99
Ontario	8 40
Manitoba	5 37
Saskatchewan	1 07
Alberta	1 83
British Columbia	6 96
Yukon	1 97
Canada (gross)	6 13
Canada (net: excluding refunds)	6 00

Business Profit Tax

Saskatchewan	.06 cents per capita
Alberta	.07 cents per capita
Ontario	30.6 cents per capita
Manitoba	0.2 cents per capita

Postal Tax

Ontario	$4 21 per capita
Saskatchewan	2 95 per capita
Alberta	2 97 per capita
Manitoba	5 60 per capita

Customs and Excise and Excise Tax Receipts

Ontario	31 90 per capita
Saskatchewan	2 60 per capita
Alberta	7 80 per capita
Manitoba	1 70 per capita

At six o'clock the House adjourned, without question being put, pursuant to rule.

Thursday, February 25, 1926

The House met at three o'clock.

CUSTOMS INQUIRY—COMMITTEE

Mr. PAUL MERCIER (St. Henri) presented the second report of the special committee appointed to investigate the administration of the Department of Customs and Excise as follows:

The special committee appointed to investigate the administration of the Department of Customs and Excise beg leave to present the following as their second report:

Your committee request that they be granted leave to sit while the House is in session.

All of which is respectfully submitted.

P. MERCIER,
Chairman.

He said: I beg to move that the report be concurred in.

Motion agreed to.

SHELLING OF SCHOONER EASTWOOD

On the Orders of the Day:

Mr. J. S. WOODSWORTH (Winnipeg North Centre): May I call the attention of the government to a despatch from Lunenburg, N.S., dated February 23:

According to a statement made here to-night, by B. B. Cann, of Yarmouth, owner of the rum-running schooner Eastwood, alleged to have been shelled about a week ago, while anchored twenty miles off Long Island by the United States cutter Seneca, he is preparing to register formal protest at Ottawa with the Canadian government.

Mr. Cann said: "I would not consider myself a patriotic citizen unless I registered a protest against this sort of treatment. I will surely make a formal

protest to the government at Ottawa. I intend to fight this case to the very limit, not because of the damage done to my vessel, nor the expense to myself, but because I, as a Canadian, will not stand idle and allow any foreign country to treat the Union Jack as a joke when it is hoisted on the mast of a British merchantman.

Is it the policy of the government to permit the use of the British flag to shield rum-runners who are carrying on a business that may be regarded as a series of unfriendly acts towards a neighbouring nation?

Hon. J. A. ROBB: No.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Perhaps the Minister of National Defence will tell us where our trawlers are now?

Mr. MACDONALD (Antigonish-Guysborough): I do not know to what class of vessels my right hon. friend refers. There are no trawlers in the service of the Canadian government. There are fishing vessels—

Mr. MEIGHEN: Fishing vessels?

Mr. MACDONALD (Antigonish-Guysborough)): —owned by the parties engaged in fishing.

Mr. MEIGHEN: Does the Canadian navy consist of fishing vessels?

Mr. MACDONALD (Antigonish-Guysborough): No, and the Canadian navy does not consist of trawlers either.

SOLDIER SETTLERS' LAND

On the Orders of the Day:

Hon. CHARLES STEWART (Minister of the Interior): With reference to a question asked by the hon. member for Vancouver-Burrard (Mr. Clark) yesterday, I wish to say that it is expected that approximately fifty or sixty British families will be settled in the Fraser valley this year, on lands held by the Soldier Settlement Board. Some of the lands were never occupied by soldier settlers. In other cases, the soldier settlers occupied the land for a very short time. Only a few locations have been lately abandoned. Very few of the farms in question were foreclosed because the soldier settlers were not able to make their payments. That is the answer to my hon. friend's question.

Mr. CLARK: May I remind the minister that the vital point of the question was, whether the lands are being turned over to the immigrants at values lower than those originally placed on them for soldier settlement?

Mr. STEWART (Edmonton): I asked that question, and in some cases they are turned over at a lower value. In the majority of cases, however, they are turned over at the value at which the soldier settler was placed upon the land.

UNEMPLOYMENT RELIEF

On the Orders of the Day:

Hon. R. B. BENNETT (West Calgary): I desire to ask the Minister of the Interior a question respecting unemployment. I have mentioned the matter to him, and I merely ask the question in order to clear up what is apparently a misapprehension. I have received the following telegram from Blairmore, Alberta:

At a largely attended meeting of the above local it was unanimously decided to bring the matter of prevalent distress in this district to the attention of both provincial and federal authorities. Owing to the mines not working very much for the last few years and not more than two days per week since last August with a spare working crew to share in on that many of the people are in dire circumstances and this meeting requests both federal and provincial authorities to take a hand in this critical state of affairs and come to their assistance by providing work if possible and financial aid where work is not possible.

JOHN A. MCDONALD,
President.
WILLIAM OAKES,
Financial Secretary.
D. A. HOWE,
Recording Secretary.

Apparently, Mr. Speaker, there is a misapprehension as to the assistance to be extended and the amount to be contributed by the provincial and federal authorities, and if the minister would make a statement I think it would do much to clear up any doubt that may exist on the matter.

Hon. CHARLES STEWART (Minister of the Interior): I would prefer that the Minister of Public Works should make any statement on this matter as he is Acting Minister of Labour. I may say, however, that the allocation of the amount payable in such cases is one-third of the excess of the cost of the relief work having to be done in the particular season in which such work may be necessary. With reference to the relief itself, it is then a clear third. The procedure is this: A request as well as a statement of cost will be furnished by the provincial government and the statement will be checked by officers of the federal government.

Mr. BENNETT: The federal government is not to take the initiative in any of the work?

Mr. STEWART (Edmonton): No, the provincial government will take the initiative.

SOLDIER SETTLEMENT

REVALUATION OF LANDS

On the Orders of the Day:

Mr. H. J. BARBER (Fraser Valley): Will the Minister of the Interior inform me if it is the intention of the government at an early date to undertake a revaluation of soldier settlement lands? I press this question at this time because I have had communications from a number of returned men in my riding who are thinking seriously of abandoning their farms this spring for the reasons that their lands were purchased at boom prices, one hundred to two hundred per cent above present day prices, and they feel they cannot afford to hold them; and for the further reason that a number of immigrant farms are being handed over to immigrants at greatly reduced prices.

Hon. CHARLES STEWART (Minister of the Interior): I am informed by the Soldier Settlement Board that a survey was made in one or two cases this year. The report is not available at present but will be in a day or two. When it is received the department will recommend to the government measures to be taken with respect to revaluation, and whether or not it should be universal or only in part. I will make a statement to the House at the earliest possible date.

TRANSPORTATION OF COAL

SEVEN DOLLAR RATE ON ALBERTA COAL

On the Orders of the Day:

Hon. R. B. BENNETT (West Calgary): I apologize to the House for asking a second question. It has been announced that the government propose to bear one-third of the cost, beyond $7 a ton, of transporting coal from certain points in Alberta to Ontario. Some of the collieries are located on the Canadian Pacific railway at points not reached by the Canadian National railways. I have been asked if the aid given by the government would be equally available for collieries not located on the Canadian National but on the other road.

Mr. STEWART (Edmonton): Yes, there will be no discrimination so long as the coal comes through to central Canada.

FORT ALEXANDER INDIAN RESERVE

On the Orders of the Day:

Mr. THOMAS HAY (Springfield): I should like the Minister of the Interior to inform the House if a surrender to the government has been made of that portion of the Indian reserve lying south of Winnipeg river and what the purpose of the government is with respect to the land so surrendered.

Hon. CHARLES STEWART (Minister of the Interior): Is my hon. friend referring to the Alexander reserve?

Mr. HAY: Yes, the Fort Alexander reserve.

Mr. STEWART (Edmonton): Yes, there was an application by a pulp and paper company to purchase a certain portion of the reserve. I do not know whether the band has voted upon it or not. I will ascertain and let my hon. friend know.

AUSTRALIAN TREATY

BOUNTY ON BUTTER EXPORTED FROM COMMONWEALTH

On the Orders of the Day:

Mr. DONALD SUTHERLAND (South Oxford): Will the Minister of Finance tell me whether any reply has been received from the government of Australia with regard to the reported payment of a bonus of six cents a pound on butter by the stabilization committee in Australia?

Hon. J. A. ROBB (Minister of Finance): I was just going to send a memorandum to my hon. friend, but since he has asked the question, I will tell him that there is no reply from the government of Australia. Indeed, there is no government subsidy, but I have a telegram from the Canadian Trade Commissioner at Melbourne who advises us that the scheme is purely voluntary, not government controlled. The producers of all states excepting Western Australia and Tasmania have become parties to this arrangement but they are not large producers. The scheme also raises the price to local consumers by three pence per pound above the export London parity; that is they charge their own people three pence per pound more than they charge for export, and the memorandum from the department says that because it is under the Pattersen scheme and a voluntary arrangement they come under our dumping clause and the Customs are so ruling. The Australian agreement provides that the rates thereunder shall be subject to the provisions of the Canadian customs tariff. With reference to the importation of butter into Canada from Australia, if the import price is less than the home consumption value it is liable to the special or dumping duty. The dumping clause, which is section 6 of the customs tariff, provides in effect that in the case of articles exported to Canada, of a class or kind made or produced in Canada, if the export or actual

selling price to an importer in Canada is less than the fair market value in the country whence exported to Canada, there shall, in addition to the duties otherwise established, be levied on such article a special or dumping duty equal to the difference between the export price and the price for home consumption. The special or dumping duty shall not exceed fifteen per cent ad valorem. As the scheme in Australia raises the price to local consumers by three pence a pound above the export London parity, butter from Australia imported into Canada will be subject to the provisions of the dumping clause. The official in my department holds that there will be a dumping duty of approximately fifteen per cent on any butter that enjoys that privilege.

Mr. SUTHERLAND (South Oxford): I might point out that the article which I read the other day did not state that the bounty was paid by the Australian government, but the question which I asked a moment ago was whether a bonus of six cents a pound was to be paid on butter exported from Australia under this scheme of the Australian stabilization committee.

Mr. ROBB: There is a voluntary arrangement and under that arrangement they have apparently placed the matter under our dumping clause.

Mr. SUTHERLAND (South Oxford): Six cents a pound?

Mr. ROBB: Something like that.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Does the minister state that the dumping clause can apply on a percentage basis to an article imported under a duty of so much a pound?

Mr. ROBB: Yes.

Mr. MEIGHEN: I do not see how it can.

Mr. ROBB: That is the interpretation of the commissioner.

GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

The House resumed from Wednesday, February 24, consideration of the motion of Mr. J. C. Elliott for an Address to His Excellency the Governor General in reply to his Speech at the opening of the session, and the proposed motion of Mr. Bird: That this question be now put.

Mr. PETER McGIBBON (Muskoka-Ontario): When the House adjourned yesterday I had drawn attention to the amendment of the hon. member for Nelson (Mr. Bird). I pointed out that his amendment was an infringement on the liberty of the members of this House. I had pointed out also that it either had been moved with the consent of the government or without it; that if it had been with the consent of the government they were hiding behind a cowardly attack which they were unable or had not the courage to make themselves. I had referred to the fact that the government had either been willing or unwilling that the hon. member for Nelson should move this amendment and that if unwilling themselves to move the amendment they were foregoing their prerogative in regard to directing the legislation of this House. In that case I had pointed out that if they no longer were able to command and direct legislation in this chamber, it was their duty to resign.

I wish to point out at this stage something that is very important to the present argument, and that is that we have in power a government who appealed to the people of Canada in October last and who were utterly defeated; that the Prime Minister and eight cabinet ministers were sent to the guillotine, and that in no less than four provinces in this Dominion there is no representation in the goverment. Moreover, they are being kept in power to-day by a party that were not and could not be elected as supporters of this government, and consequently I ask them: By what right do they still linger upon the treasury benches? I had also drawn the attention of the House to the fact that the difficulties confronting this country to-day could be solved by having more work, a greater number of men profitably employed at work in order that they should help to bear the burden of taxation and provide freight for our railways, et cetera, and also greater markets for the products of our farms. Along with this I suggested the necessity of a reduction in taxation and I analysed the consolidated revenue of Canada on a per capita basis showing how much each province was paying. This brings me to the question of the railways which, to my mind, is, with the exception of the war, the greatest problem that ever confronted Canada. Let me repeat what I said yesterday afternoon that the railway question for the east and for the west is one that must receive the consideration of this House. I am one who believes that money will have to be taken out of the public treasury to help to reduce freight rates from the two extremities of this country, but I wish to register my emphatic protest against the method that has been employed in the past of getting reductions in freight rates. I must congratulate members

from the Maritime provinces on the very impartial, judicial and forceful way in which they have presented their case to this country. They have made out an especially good case and I was very much surprised at the reply which the hon. member for Lisgar (Mr. Brown) made to them. After they had pointed out that they had borne their share in building the Canadian Pacific which did not go into some of the provinces, in building the Transcontinental and the Grand Trunk Pacific which gave them very little benefit and in constructing the canals of this country from which they also derived very little benefit, when the hon. member for Lisgar got up to reply, he went out into the garbage heap and produced the old argument that he was willing to give them more freedom of trade. They asked for bread and he was not prepared even to give them a placebo.

That brings into review the whole transportation question. We have been developing in this country some three methods of transportation. We have at the present time a western outlet for the prairies. This outlet, as every hon. member knows, has been increasing in value during the last few years and, in my opinion, when the great yellow, brown and black races that are eating less rice and more wheat than ever before, get thoroughly converted to a change of diet, the western route is going to be one of the great exits for our wheat. We have also been developing a system of inland waterways. We have built the Sault canal; we have spent millions upon the Welland canal and, to my mind, all these things are a mistake if we do not carry them to their logical conclusion and make it possible for ocean-going vessels to reach the head of the lakes. The deep waterway system is one which should be continued and pressed to an immediate conclusion. That is all the more important when we consider the large volume of our grain that is going via Buffalo to the Atlantic coast, and it is also important because the power that can be developed along that route will be sufficient to pay interest on the investment.

We have before this parliament a fourth route and that is the Hudson Bay route which has been put into the Speech from the Throne, as I said yesterday, as a means of seducing and getting support from the western Progressives. While I believe all hon. members on this side will be prepared to look at that problem on its merits, I do not think they will find very much merit in it when they are finished with it. If I might make a suggestion to the government, it would be that they make a present of this road, on which we have spent some $14,000,000 in construction and some $6,000,000 in terminals, to the Manitoba and Saskatchewan governments, and throw in three or four million dollars to complete it. I believe this country would be infinitely better off in the end if that suggestion were carried out.

Having prefaced my remarks on the railway question to that extent, I want for the benefit of my good Progressive friends from the west to review the rate question as it pertains to them and to the people of Ontario. On looking up the rate question I find that the rate per ton per mile in western Canada is eighty-seven cents while in eastern Canada it is $1.17. I also find in reviewing returns on grain that were made to this House a year ago, that the operating costs for 1923 were 126.14 per cent and for 1924, 126.96 per cent, producing an operating loss in the first case of $6,088,499 and in the second, of $5,812,016. Had that same quantity of grain been carried the same distance on United States lines, our western Progressive friends would have had to pay $34,000,000 more in freight than they did. In other words, the farmers of western Canada have an advantage over the farmers of the United States equivalent to $34,000,000 in carrying that quantity of grain that distance. In looking over other returns that were made to this House last year I find that there was a deficit on our railways in the Atlantic region of, roughly speaking, $3,500,000. In the central region there was a net revenue of $16,400,000 while on the United States lines the net revenue was $5,700,000. In the western region there was a deficit of $1,124,000. What are we to deduce from these figures? Simply this, that the central region is carrying the great burden of taxation in connection with the railways so far as freight is concerned, just as I pointed out yesterday that they were carrying also the great burden of taxation in every other direction. I am not objecting to reduced freight rates either in the east or in the west; I want to be perfectly fair and to be well understood in that regard. I said yesterday that the central provinces were quite prepared to share that burden, and I say so again to-day. But I want to register my protest against a system that penalizes the middle for the benefit of the two extremes. I say that this money should be taken boldly out of the treasury for the national good and every citizen in Canada should contribute accordingly to that end.

I was astounded when the hon. member for South Winnipeg (Mr. Rogers) rose in his place early in the session and charged the government with directly interfering with the

railway commission; and I was equally astounded to learn that they had interfered by legislation with railway rates. That is not their prerogative; there should be a freight rate in this country that would allow not only the east and the west but central Canada as well to do business. I submit therefore that the proper method is to take boldly out of the treasury the money that is necessary to recoup the railways for any loss they might suffer in the matter of reduced freight rates. How can we expect the national railways to pay when members in this House advise, and the government act upon that advice, that they be made to carry goods below cost? Day after day we have seen hon. gentlemen getting up in their places and asking the government questions in regard to freight rates, and day after day we have heard the Minister of the Interior (Mr. Stewart) agreeing to use his good offices with the Canadian National Railways in the matter. Do we ever hear similar suggestions being made with reference to the Canadian Pacific Railway? Yet the government would have us believe that the Canadian National Railways are out of politics.

For the information of our good Progressive friends let me analyze the railway debt. We have invested in the Canadian National Railways over $2,000,000,000 according to Mr. Bell's report of March 25. On the basis of population Ontario's share of that would be $685,000,000, but if we take as a basis the rates of taxation I have already given its contribution would be two and a half times that sum. We built out of the revenues of the country the National Transcontinental Railway at a cost of $170,000,000 and Ontario's share of that, according to population, was $15,000,000; but actually it amounted to $27,000,000. I could go on if necessary and show what proportion of the cost of that railway was paid for by the western provinces, but possibly I have pursued the argument far enough. We have also invested in the canals of Canada $362,000,000 of which Ontario's proportion would be $120,000,000.

On consulting the records of parliament I find that this country has loaned to our western friends through the Seed Grain Relief Act something like $16,300,000 of which the sum of $4,300,000 remains unpaid. I find further that we spent on the Royal Canadian Mounted Police down to 1920 the vast sum of $35,000,000. I say therefore that when you balance up the accounts between east and west and take the contributions of central Canada into consideration you will find that the provinces of Ontario and Quebec have borne the heaviest part of the burden.

[Mr. McGibbon.]

Now we have heard hon. gentlemen getting up day in and day out and telling us how conditions have been improving in Canada. At the same time gentlemen from the extreme east as well as from Montreal, Toronto, Hamilton, Winnipeg, Edmonton and the far west have been pleading in this House to have proper freight rates put into force in order to facilitate the movement of coal so that the labourers of these various places may be kept from starvation. So far as the unemployment in these places is concerned, I believe that these gentlemen are right. In the month of January of this year, according to the statistics of this government's own Department of Labour, there were 50,000 people more out of work than there were in the month of December, and this unemployment is widely distributed; it begins at the Atlantic and goes clean across the continent. Every city in every province is faced with more unemployment now than it had to cope with during the month of December. I would direct the attention of the Labour members of this House to a letter written by Mr. Thomas Moore, which contains some interesting statements. It is not necessary for me to explain who or what this gentleman is; he is well known to every member of the House. He is here discussing the situation as it exists here to-day in Canada and the causes thereof, and in relation to unemployment he draws the distinction between a revenue tariff and a protective tariff. He says:

> Do Canadian workmen want to make sure of the closing of Canadian factories and of further unemployment? If so they will naturally support a tariff for revenue only.

He then points out that the tariff for revenue as it is applied in England merely taxes the goods they do not produce there such as sugar, fruit and so on, and he ends by saying:

> The choice for Canadian workers is between more imported goods and greater unemployment and made in Canada articles and greater oportunities for work at home.

Do the Labour members of this House think that Mr. Moore knows what he is talking about when he says that the very foundation of the Labour market is a protective system? I also have in my hand the draft of a speech delivered by Mr. Stanley Baldwin, Prime Minister of Great Britain, in which he discusses the results of the Safeguarding of Industries Act passed by the Imperial parliament. Let me read to the House the instructions given to the committee by the board of trade regarding the application of the act. The committee were instructed to report on the following:

> First, whether the applicant industry—

That is, the industry applying for more protection, because that is what it really amounts to.

—is, by reason of the volume of employment engaged in the production of the goods to which the application relates, or by reason of the nature of the goods produced, an industry of substantial importance.

Now I want the House to note this:

Second, whether foreign goods of the class or description to which the application relates are being imported into, and retained for consumption in, the United Kingdom in abnormal quantities.

Then follow these further instructions:

Third, whether the foreign goods so imported are being sold or offered for sale in the United Kingdom at prices which are below the prices at which similar goods can be profitably manufactured or produced in the United Kingdom.

Fourth, whether by reason of the severity and extent of such competition employment in the manufacture or production of such goods in the United Kingdom is being, or is likely to be, seriously affected.

Fifth, whether such exceptional competition comes largely from countries where the conditions are so different from those in this country as to render the **competition unfair.**

Then this note is added by the board of trade:

Competition for the purpose of such inquiry is not to be deemed unfair unless it arises from one or more of the following causes,—

I submit, Mr. Speaker, that these causes decidedly apply to Canada to-day.

Depreciation of currency operating so as to create an export bounty.

Is not that the great handicap that the shoe industry, the woollen industry and other of our industries are under to-day?

Subsides, bounties or other artificial advantages.

Is not that the very same thing that the member for South Oxford (Mr. Sutherland) called attention to this afternoon? Is it fair for the dairymen of this country to be subjected to the competition of Australian butter producers not only under the unequal terms of the Australian treaty but under the further disadvantage that their rivals are receiving a bounty of six cents a pound on the butter they export? These are the instructions that were given by the British Board of Trade to those administering the provisions of that special legislation passed to protect the industries and the workingmen of Great Britain.

Mr. WOODSWORTH: Mr. Speaker, the hon. gentleman has indicated the attitude of Mr. Baldwin, the Conservative Prime Minister of England. Would he point out to the House the position taken by Mr. Ramsay MacDonald, leader of the Labour party of Great Britain?

Mr. McGIBBON: I leave the hon. member to look after his own. I am looking after the workingmen of my constituency. It is my constituency, as I stated yesterday, that this government by its policy has crucified the labouring men of Canada. The greatest crime that can be charged against any government, Mr. Speaker, is that by its policies it makes it impossible for the people to live in their native land. I contend that this government by its policies has driven out over five hundred thousand of the best workingmen of Canada.

Mr. McLEAN (Melfort): Does the hon. gentleman contend that the government has done so by heavy reductions of the customs duties?

Mr. McGIBBON: I say partly yes, partly no. It has brought about these deplorable conditions by putting our workingmen up against the competition of the sweatshops of Europe without any protection. Let me refer a little further to Mr. Baldwin's speech. He analyzes the results so far of the operation of the Safeguarding of Industries Act, and points out—I wish the hon. member for Labelle (Mr. Bourassa) were in his seat to take note of this—that the act has been the means of creating new industries in England. He states what we all know to be the case, that before and during the war optical instruments, lenses, X-ray equipment and similar goods had to be procured either from Germany or the United States. When I went to the front, Mr. Speaker, I was forced to buy a set of American-German field glasses because they could not be procured either in Canada or Great Britain. Mr. Baldwin points out that the operation of this act has resulted in industries of a scientific nature and very important to Great Britain being established, industries which are now employing tens of thousands of people who otherwise would be idle. I would ask the hon. member for Winnipeg North Centre (Mr. Woodsworth) if he knows this to be the fact, that when war broke out the great textile industry of England was in jeopardy because it had been relying on Germany for its dyes. The British government spent tens of millions of pounds in scientific industrial research in order to discover the formula for those dyes, and to-day the textile industry is no longer dependent on outside sources.

Mr. WOODSWORTH: May I ask another question? Has the hon. gentleman any means whatever of protecting the actual worker in this country against the cheap labour that is being imported from European countries?

Mr. McGIBBON: Certainly I have. If the hon. member will only vote with us and

turn this government out, we will put in a government that will protect our workers against that cheap labour.

Mr. WOODSWORTH: The hon. gentleman is not offering a bribe?

Mr. McGIBBON: Well, if the hon. member considers any proposal to ensure feeding the wives and children of our workingmen a bribe, I say yes. That is what I am here to accomplish, Mr. Speaker, that is what I am making this speech for—to effect such a change as will bring back the labouring men of my constituency, who have been driven out of their homes and their country by the policies of this government.

Now, Sir, what else has this government done to bring about unemployment? It has raised the cost of the workingman's daily bread higher than it has been for some three or four years, and at the same time it has cut down his wages so that he can hardly make the two balance. I have right in my own constituency—and a similar condition prevails in other constituencies, as the member for North Renfrew (Mr. Cotnam) said recently—men engaged in the hard and laborious lumber industry who are working for twenty-five to thirty dollars a month, and trying to keep their wives and families on those wages. I ask the hon. member for Winnipeg North Centre if he thinks he could do so. Clever and all as he is, I will wager that he could not.

Now, what is happening to our labouring men? As I said, half a million have been driven out by the policies of the government. What would that half a million be worth to Canada to-day if we had them here and a government in power with a policy that would ensure them employment? Five hundred thousand people working at $1,000 a year would mean a lot of money, and that money would be spent in this country, and every man and woman in the country would derive a certain amount of benefit from its expenditure. That would help to solve our national railway problem, to a certain extent, at least; it would help to pay the national debt of this country, and help us to bear the great burden of taxation that is driving the people of this country almost into the earth. While on this subject I might quote the ex-Minister of Finance, the hon. member for West York (Sir Henry Drayton), who a year ago made the statement in this House that there was being brought into this country $700,000,000 worth of goods which we had the machinery and the workmen here to make ourselves. Let us analyze that for a moment. When I say that labour accounts for 70 per cent of the cost of the manufactured article, I think I am well within the mark. Now 70 per cent of $700,000,000 is $490,000,000; $490,000,000 would pay $1,000 a year to 490,000 men; it would give employment to nearly half a million men, and we could provide that work for them if we would only do what any patriotic, reliant, self-respecting people ought to do, give employment to our own people by making the goods we need at home.

Now I want to leave the labouring man for a moment and go to some other parts of my constituency—but no, I will finish him up while I am at it. The hon. member for Winnipeg North Centre (Mr. Woodsworth), if he will go back to his constituency and laugh at those who are trying to get bread for the labouring men of this country, is not worthy to represent them in this House. I have in my hand a brief analysis of the shoe industry in this country, and I take this up because it relates to industries that are located in my riding, industries which are more or less dependent on the shoe and leather industry in this country. I want to bring to the attention of the House this fact, that this government has lowered the duty on boots and shoes to such an extent, and by treaties and other means has so wiped out the protection we had against the depreciated currencies of other countries, that our own industries can hardly live. The French treaty came into force, I think, in 1922,

4 p.m.

and I want to give the House a few figures to show what effect it has had upon industry in this country. I have a statement here from the Bureau of Statistics showing the importation of boots and shoes into this country during the last five years. In 1921 and 1922 practically none were imported, but for the following years the importations were as follows:

	Pairs, Men's sizes
1923..	264,124
1924..	329,158
1925..	306,041

Nothing in 1921 and 1922, but in the next three years we imported nearly 1,000,000 pairs. Now let us look at children's sizes. The same conditions existed in 1921 and 1922, but in 1923, after the French treaty had come into force, our importations were as follows:

	Pairs, children's sizes
1923..	57,040
1924..	131,481
1925..	145,537

Mr. WOODSWORTH: Did these boots come from France? Is that the implication? What was the source of origin?

Mr. McGIBBON: It is pretty hard to trace the origin, but a lot of them, we

suspect, were made in Belgium, Germany, and France, shipped to England, and then came into this country under the British preference. Right here let me say that I do not believe in continuing the British preference in the manner in which it is operating to-day. I do not believe in taking the bread out of the mouths of Canadian workingmen and giving it to the Englishman, the Frenchman, the German, the Belgian or anybody else.

Mr. McMILLAN: Does not the hon. member know that letting these goods come in cheaper is putting the bread in the mouths of our workingmen, rather than taking it away from them?

Mr. McGIBBON: No, I do not know anything of the kind, because it is not true; but I do know it makes more profit for the middleman, and puts our own men out of work.

Mr. YOUNG (Weyburn): Does the hon. member not admit that these importations put boots and shoes on our workingmen's feet?

Mr. McGIBBON: I do not think they would put them on their heads. If I might digress for a moment, that puts me in mind of the man who came to this country and went into a butcher shop and bought a couple of pounds of beef. He asked how much it was, and the butcher told him fifty cents. "Why" said the man, "I could buy that at home for a shilling." "Then why didn't you stay there," said the butcher, "and get it for a shilling?" "Well," said the man, "the trouble is I could not get the shilling."

I want to give now a few figures as to our importations of boots, shoes and slippers with felt uppers. Here again we imported practically nothing in 1921 and 1922, but for the following years the figures are as follows:

	Pairs, with felt uppers
1923	151,858
1924	221,680
1925	408,590

Let me give you next the boot and shoe imports from the United Kingdom, and this is where we suspect that German, Belgian and French goods are getting into Canada from the United Kingdom:

	Pairs
1922	342,000
1923	653,000
1925	800,000

Is it any wonder that the boot and shoe industry of this country is being put out of business? Is it any wonder that the workingmen of this country whom my hon. friend from Winnipeg North Centre is supposed to represent, are walking the streets to-day through our sending our money over to England, France and Germany, and feeding the workingmen of those countries in preference to our own? I am one of those who believe in this species of Canadianism, to feed our own Canadians before we feed Germans or Belgians or anybody else, and that is the spirit I am trying to get over to the House this afternoon, because upon the shoe industry are dependent many others which have been adversely affected. We had in this country four years ago fifteen large tanning industries; how many have we to-day? Six. Nine out of the fifteen have been put out of business. Why? Simply because the importations of leather goods which have been coming into this country under the policy of this government have made it impossible for our own industries to get prices at which they could continue to operate. In my home town we had two of the largest tanneries in the British Empire. They were putting through 3,000 sides of hide a day. What have we got to-day? For four years they have not put through a single hide. One of the firms has torn down its buildings; the other is closed indefinitely. The result is that hundreds of workingmen who are dependent for a livelihood on these two industires have been driven out of the town and district, and in some cases out of the country, in order to secure employment and provide bread for themselves and their families. My sympathy goes out, first and always, to the man who gets up before daylight and toils all day in order to provide a living for himself and his family. I say that any government that deprives that man of his living and takes the bread out of the mouths of his family and himself, is going to be opposed by me.

Now let me deal with the woollen industry —and I hope to be in a better position to satisfy the hon. member for Winnipeg North Centre (Mr. Woodsworth), as to the origin of the goods to which I have been referring. The woollen industry received the first blow from the Liberal party shortly after its return to power in 1896, when it introduced the British preference. It has been receiving blows time after time ever since, until to-day over twenty establishments that were engaged in it are out of business. To my mind, Mr. Speaker, that industry is quite important, to this country, for many reasons. In the first place, these factories are using up the natural wool of this country, and are in a position to use it in different localities, because over sixty per cent of them are scattered through the small towns

and villages all over the country. This industry, I say, received its first blow after the change of government in 1896, and since the revision of the tariff made by the Laurier government at that time no less than eighty-eight woollen mills have gone out of business in Canada. Now how does that affect the farmer? The result is shown by the fact that there are no more sheep in this country to-day than there were thirty years ago.

An hon. MEMBER: Not as many.

Mr. McGIBBON: The number is practically the same. I want to tell my hon. friend the member for Winnipeg North Centre, who is supposed to represent labour here but who, I think, misrepresents it, some of the difficulties that these men are up against. They have to compete, for instance, against lower wages and longer hours in the Old Country; they have to compete against inferior working conditions, and a lower standard of living; and then in the case of France and Germany they must compete against the evils of a depreciated currency, exemplified in the case of France by the falling in value of the franc from about 20 cents to 4½ cents. Many of the importations of which I complain, I can tell my hon. friend, came not from England directly but from France under the French treaty. I have the figures and I will give them to my hon. friend.

Mr. WOODSWORTH: Are we to understand from the hon. gentleman that the hours of labour are longer in Great Britain than they are in Canada?

Mr. McGIBBON: The hours of labour of workingmen? Yes.

Mr. WOODSWORTH: I should like to have the exact figures.

Mr. McGIBBON: I can tell the hon. gentleman that the statement is a fact. Everybody knows that the British labour men work longer hours than they do in Canada.

Mr. WOODSWORTH: Great Britain, I said.

Mr. McGIBBON: Yes, Great Britain. Now, I wish to give some figures with respect to the woollen industry. First I will enumerate our importations under the French treaty which came into effect in September, 1923. I ask hon. gentlemen to listen to the facts with respect to this industry. In 1922, that was before the French treaty which this government negotiated came into effect, we imported $699,000 worth of woollen goods. In 1923 our importations of woollen goods amounted to $1,020,000. In 1924 they had risen from $1,000,000 to $2,000,000, and in 1925 had grown to $3,284,000. Is it any wonder that there is no work for our woollen mills in this country? I have dealt with the results of the French treaty. Now let me take up the importations of cloth from Great Britain. The figures are as follows:

1921..	13,000,000 yards
1922..	27,000,000 yards
1923..	28,000,000 yards
1924..	30,000,000 yards

Showing in those four years an increase in the importations of cloth from Great Britain from 13,000,000 yards to 30,000,000 yards. Again I ask, is it any wonder that mill after mill in this country has had to close its doors and that the workmen have been turned out on the street? What has been the result? That our money has been sent over to help pay the wages of workingmen in Great Britain and France. I repeat, if that is the species of patriotism favoured by the government, and by its followers in this House, then I am glad that I do not belong to the Liberal party.

Now I want to take up another branch of the subject. As hon. members of this House know only about 15,000,000 pounds of wool are grown in this country, whereas about 70,000,000 are consumed. Formerly the importations were very large. When our mills were working at full capacity we had large importations, but those importations have been decreasing year by year while importations of manufactured articles have been increasing. Let me give some figures to illustrate my contention. For the first four months of 1923 we imported $7,210,000 worth of raw wool to be manufactured in this country. In 1924 the importations had fallen to $4,150,000, and in 1925 to $3,615,000. Here again we see a great loss to the manufacturing industry. We see the workmen of Canada deprived of their living, deprived of their wages, and in many cases forced to leave this country to get employment elsewhere. I ask hon. members is that a policy that appeals to their judgment having regard to the best interests of the workmen of Canada? I should like to carry that argument a little further. How are the railways of this country affected? In 1923 there were 11,000,000 pounds of raw wool and other materials carried by the Canadian railways. In 1924 the amount had fallen to 7,000,000, and in 1925 to 6,000,000 pounds. I ask hon. members, what do we gain by crucifying our industries, turning our working men out on the street, and sending our money to Great Britain, or France, or Germany and importing goods from those countries? I hope the hon. member (Mr. Woodsworth) will answer me on that point.

Now, I am going to touch on the agricultural side of the question for a moment. The

question has been debated so much and so often, that I do not pretend to add anything new to the discussion. I do wish, however, to put some figures on record. For instance, the dairy industry alone represents an investment of $35,000,000, and the production has a total value of $218,000,000. There are 1,284 cream factories, and 1,351 cheese factories, in operation. The dairy cattle number approximately 2,280,000, and the proportion of revenue from this source employed by the provinces was in 1924 as follows:

Ontario..	$444,208
Manitoba..	161,913
Saskatchewan..	281,992
Alberta..	200,672
Quebec..	241,000

Or a total of $1,453,368. Now, what has this government done for that industry? I am not adding anything new to the discussion when I repeat what the hon. member for Lincoln (Mr. Chaplin) said the other day that the government has practically, by the Australian treaty, cut the throat of the dairy industry of Canada. The hon. gentleman gave us some figures showing that the exports of butter from this country to Belgium had dropped from 750,000 pounds to a bare 5,000 pounds. He also told us that under the French treaty three years ago we had sold $17,000,000 worth of goods and that our sales had dropped to $11,000,000. The imports two years ago were $12,000,000 and they had been raised to $18,000,000. But the part I want to emphasize is that no butter, condensed milk, meat and so on, had been sold at all. Our agricultural market in France had been absolutely obliterated, and nothing but a paltry $2,000 worth of lard got into that country over the tariff barrier which this government erected. I ask you, Mr. Speaker and this House, is there any man representing an agricultural district here in Canada, particularly a dairying district, who can justify that treaty, especially when you remember that the only way in which we got any return was by a reduction in the duty on silks and on champagne and spirits, which are now relics of bygone days. And this is the government which during the election of 1921 came out as the champion of the common people. They take the taxes off the rich and put them on the poor. Let us carry that a little bit further. The results of the Australian treaty have been pretty well placed on Hansard, but I am going to put some more on record. It has already been explained that we brought into Canada over 4,000,000 pounds of butter the first two months of this year, but I want the House to listen to the vast importations of goods which have taken place in the last two months. In the month of January this year we imported into Canada 85,000 dozen eggs. In the month of February, up to the 24th, a little over three weeks, the importation had risen from 85,000 for a full month to 618,000. We imported into Canada 2,500,000 dozen eggs in the shell during the last year, and 750,000 pounds in a frozen condition. The great importations of butter and eggs have been mentioned. I have in my hand a letter from Alexander D. McGillis and Company, Montreal, which reads:

> It is quite evident that without the New Zealand and Australian butter our market would be soaring around the 60 cent mark, and that but for the new Australian treaty, there would be a profit to the Canadian dairying interests of at least three cents per pound more than is being realized.

I am sorry the Minister of Agriculture is not in his seat, because the difference between 60 cents and the 40 and 45 cents which we are getting to-day is the loss the farmers are suffering under this treaty. I would not want hon. members to think that I have exhausted all the sins of omission and commission of which the government has been guilty. I think I could easily talk for a week and then not be able to enumerate them all, but I have tried to lay before the House a few of them as they affect my constituency in particular and the country in general, because I consider it my duty to plead in this parliament the cause of the workingmen and the farmers of my district.

The following is a comparative statement of Canadian and United States duties on agricultural products:—

Statement of Canadian and United States Duties

United States		Canada
42c per bushel	Wheat	12c per bushel
15c per bushel	Corn	Free
$2.04 per bbl.	Wheat Flour	50c per bbl.
$4.00 per ton	Hay	$2.00 per ton
35 per cent	Fruits	25 per cent
50c per 100 lbs.	Potatoes	35c per 100 lbs.
8c lb.	Butter	4c lb.
5c lb.	Cheese	3c lb.
8c doz.	Eggs	3c doz.
40 per cent	Cattle	25 per cent
100 per cent	Woollens	27½ per cent
55 per cent	Silk Fabrics	15 per cent
75 per cent	Artificial Silk Fab.	15 per cent
75 per cent	Woollen Clothing	27½ per cent
75 per cent	Woollen Hose	25 per cent
33 1-3 per cent	Hats	22½ per cent
75 per cent	Blankets	22½ per cent

Further Reductions under Australian Treaty

	Australian Tariff	Canadian Tariff
Onions..	..$1.50 per cwt.	½ per lb.
Fresh and smoked meat..	5c per lb.	15 per cent
Canned meat..	5c per lb.	Free
Canned fruit in pt. tins.	$1.00 per doz. or 8½c per tin or lb.	½c per lb.
Canned fruit in qt. tins.	$2.12 per doz. or 17c per tin of 2 lbs.	½c per lb.
Fruit pulp when imported for manufacture of jams or preserves...	..25% ad valorem	Free
Canned Vegetables..	30%	Free
Fresh Vegetables..	50c per 100 lbs.	Free
Beeswax..	2c per lb.	Free
Honey..	4c per lb.	1c per lb.
Butter..	6c per lb.	1c per lb.
Cheese..	6c per lb.	Free
Eggs..	18c per doz.	Free
Dried apples and peaches.	8c per lb.	10 per cent
Lard..	4c per lb.	Free
Tallow..	$1.00 per cwt.	10 per cent

I desire to say a word or two about immigration. I was going to address my remarks to the Minister of Agriculture, but it is hard to tell what departments these ministers represent to-day. This government lost the greatest opportunity that ever came to it or will ever come to any government in the world when it lost the benefit of the advertising got through our Canadian troops in France. The Minister of Finance (Mr. Robb) looks over at me. I say again, Mr. Speaker, that this country will never be in as good a position to take advantage of an immigration policy as it was at the close of the war. Every man who was over there knows that the Canadian army was looked upon as an army of rich men. This country was looked upon as a regular gold mine, not altogether without some justification, because our men, while not being paid very high rates, were receiving much higher rates relatively than the men of the other armies. But what was more important than advertising the country was the fact that they spent their money and spent it lavishly, and the attention of the whole of Europe was focused upon Canada for some years. What has happened? This government has let that golden opportunity go by, and to-day we are in the humiliating position that more people are leaving Canada than are coming here. It is doubtful if we are holding our natural increase, although we are bringing people here at considerable cost.

I have in my hand the Canadian book on Immigration and Colonization, and I am going to read a sentence from it and then by way of comment read quotations from American newspapers and other sources. The first is taken from a report of Mr. Wallace, I think the United States immigration agent in Dakota, who points out certain advantages enjoyed by the Canadian farmer. He says:

> The Canadian wheat farmer enjoys substantial advantages over the American producer in the matter of yields, land values, the quality of wheat he produces and the lower freight rates from points equally distant from markets.

Again I direct the attention of my Progressive friends to the lower freight rates. That is the argument put up by the American commissioner, Mr. Wallace. Now what has happened to our American immigration agencies? Well, Mr. Speaker, we had a number of American immigration agencies in the United States and a large number of them have been closed but not all. I have a quotation from one of the American papers giving the reason. One of the offices which was located at Omaha has been closed, and this is what the American paper said:

> Emigration to Canada has fallen to such a point that the Dominion government has just closed a number of its land offices in the western states. The menace no longer exists.

The menace of American farmers going into Canada no longer exists. The paper proceeds:

> The Omaha office is one of those just closed. It was opened in 1896. In 28 years the Omaha office alone sent 50,000 American settlers across the line who carried with them in cash, household goods, implements and live stock $53,000,000.

That office is closed and the menace no longer exists, and why? They give the answer:

> Money stringency and tremendous taxation are some of the factors that have stopped the flow and the drain has now ceased.

That is the way this government has handled immigration from the United States which has been coming here for thirty years. It has dwindled to nothing through the extreme taxation this government has imposed upon the people. Now the offices have been closed and the immigrants are going out of the country faster than we can bring them in. How can this country ever become prosperous unless we have a government with a policy that will keep its own people and find employment for them instead of spending millions to bring people from Europe?

I have already spoken probably too long and I do not want to take up any more of the time of the House. In conclusion, let me say that what this country needs to-day is a government with courage, a government with a policy and with backbone to put that policy into force. It needs a government with an appreciation of the fact that when this country borrows money, that money must be repaid; that when prosperity comes, it must bring greater remuneration to the tillers of the

soil. It needs a government that can find within the borders of Canada work for labouring men at a wage sufficient to enable them to make a living, to support their families and to prepare for their old age. Such a government will be formed in the very near future by the right hon. the leader of the Conservative party (Mr. Meighen).

Mr. FRANK S. CAHILL (Pontiac): Mr. Speaker, I do not rise to prolong this already too long debate, especially when our hon. friends of the Tory party opposite are crying for closure in order to stop them from continuing this useless talk—although they could bring the debate to an end at any time by keeping their seats and allowing the vote to be taken. My only purpose in rising is to say a word about the Rouyn railway question, which was raised in the House by the hon. member for West York (Sir Henry Drayton) a few days ago. My hon. friend was discussing the Rouyn railway and complaining about the method of construction. Since that very important line of railway, and also an important town and mining district, are in my riding, it is only fair that I should detain the House for a few moments in order to say a word or two on the subject.

As you are aware, Mr. Speaker, the Abitibi district is one of the finest colonization districts in Canada. It is peopled by the best colonizers that we have ever had for a timbered country—the only people, in fact, who will at any time colonize our northern timbered districts of eastern Canada. There are in the neighbourhood of 30,000 sturdy French-Canadians in that country who are making a magnificent showing in developing the territory along the Transcontinental railway. In 1924, when the Rouyn district began to open up, when the mines were proven to be very good prospects, I interviewed the Minister of Railways and asked him if it would be possible to connect up the Rouyn district with the Abitibi district, the distance being only some forty-five to fifty miles. The Minister of Railways informed me that no action could be taken by the minister or by the government except at the instigation of the board of directors. I interviewed Sir Henry Thornton and some of the directors and I also interviewed the Premier of Quebec. Sir Henry Thornton, as I recollect, told me that he would not be responsible for undertaking any new construction in Canada unless it could be shown that the line would be profitable or that he would be reimbursed in some way by a subsidy for the period of time at the beginning of its operations when the railway might not be profitable. His officials investigated the possibilities of the country and the feasibility of building a railway, and they were satisfied that there would be a profitable business in the very near future. Mr. Taschereau was also anxious to see a line built in from the Abitibi district in order to link up the agricultural district with the mining district. The agricultural district had become developed to the point where the people were ready to export a certain quantity of their product. As they are far from the central markets of eastern Canada, if a market could be found in the upper part of Quebec it would be profitable to both the mining and the agricultural districts. They negotiated with the province of Quebec first for a land grant, but Mr. Taschereau had apparently made up his mind that there would be no more land grants. They continued negotiations until Sir Henry Thornton and his board were able to get from the Quebec government a grant of $50,000 a year for the first five years of operation.

Sir HENRY DRAYTON: Has that guarantee been given yet, or is it still to come?

Mr. CAHILL: It has been given.

Sir HENRY DRAYTON: Does the thirty per cent regulation apply to that also?

Mr. CAHILL: I do not know about that. I understand, and I believe my hon. friend will bear me out, it is a common regulation between companies under an agreement of this kind.

Sir HENRY DRAYTON: Not with a mileage like that. It means the guarantee is worth nothing.

Mr. CAHILL: The Quebec government are to give a grant of $50,000 a year and the Noranda mines have guaranteed $20,000 a year for the first five years, making altogether a guarantee of $350,000 which Sir Henry Thornton will get from the Quebec government and this company in lieu of any loss in operation and the expense of constructing the road. Instead of condemning Sir Henry Thornton and the government for this deal, my hon. friend from West York should commend them for making a deal that will save to the Canadian National Railways $350,000 in the next five years.

Sir HENRY DRAYTON: I do not think I once mentioned the name of Sir Henry Thornton. My whole point was whether the country had a right to believe in the word of the government. Apparently it has not.

Mr. CAHILL: The whole thing seems to hinge on, I was going to say, hair-splitting—

Sir HENRY DRAYTON: No, common honesty.

Mr. CAHILL: —but perhaps that is not the word. I will say that the whole thing seems to hinge on a technicality. My hon. friend is raising a point on a technicality when the result of whatever he claims is wrongdoing, if any, is to save to the Canadian National Railways $350,000 in the next five years. It ill-becomes my hon. friend to condemn that action when he cannot point to any previous arrangement whereby the Canadian National Railways were reimbursed by any provincial government in the Dominion. That the territory is good was proven by the fact that the Ontario government were willing to build a railway into it. They had a charter to build and they were anxious to build. The Canadian Pacific will, I believe, build into the territory, and I hope they will. I also hope the Ontario government will eventually construct a railway in there. I would be glad to see all three of them build railways into that territory, because the construction would be warranted. But the Quebec government had spent millions of dollars in colonizing the territory along the Transcontinental railway at not one dollar of expense to the Dominion government while we were spending considerable sums of money in attempting to colonize other parts of Canada. The Quebec government brought these people in, opened up roads for them, built bridges and developed the country far beyond anything else that has been developed in Canada during the same period.

I would like to have the hon. member for West York pay a visit to the Abitibi country and also the Rouyn country and see for himself the benefits that will accrue to that territory by the construction of these railways. I am sure that if he did, instead of criticizing, he would commend Sir Henry Thornton and the board of directors for the action they have taken. The work is necessary, and the only point of difference between my hon. friends opposite and hon. members on this side is the method by which it was done. The only means by which the Canadian National Railways could get an offer of $350,000 was that which they adopted, and it was under a statute passed by my hon. friends opposite. Now they quarrel as to which statute should be adopted, the one passed in 1919 or the one passed in 1915. That point is of no concern to the people of Canada, except that the method adopted is one by which the people will save $350,000.

Mr. GEARY: Does my hon. friend wish to give the House to understand that the grant of $350,000 is conditional on this matter being put through not in the House but by order in council?

Mr. CAHILL: My hon. friend knows very well that the Canadian National Railways could not ask the Quebec government to construct a line of railway in that province.

Sir HENRY DRAYTON: Why not?

Mr. CAHILL: When the people of the province of Quebec are shouldering their part of the responsibility for the Canadian National Railways why should they be asked to contribute to the construction of a branch line in that province when we are building branch lines all over Canada at the expense of the Dominion? Why should the people of Quebec be made to pay the shot in this case? That seems to me the whole burden of the grievance of my hon. friends opposite.

Mr. NICHOLSON: Can the hon. member point to anything in the lease between the government and the Rouyn company that indicates that the Canadian National Railways are building the railway?

Mr. CAHILL: I have read neither the lease nor the agreement, but if I did and did not have more information on the subject than my hon. friend I should be ashamed to make any statements in this House in regard to the construction of this railway such as he has made. He made the statement, only last night I think, that no tenders were called for, whereas as a matter of fact tenders were required. The contract was let to Messrs. Chambers, McQuigge & McCaffrey and Foley Bros., all respectable people, whose head office is at 611 Excelsior Life Building, Toronto.

Mr. NICHOLSON: I rise to a question of privilege: I did not say that no tenders had been called for. The statement I made was that under the terms of this agreement there was no obligation on the part of the Canadian National Railways to call for tenders and that the road was being built by a dummy company.

Mr. CAHILL: It would not matter much whether it was being built by a dummy company or by a loud speaker company; that would neither help nor hinder the work. The fact is that the railway is necessary and that it is being built at the lowest possible cost. The Canadian National Railways have been assisted by the government of Quebec and the Noranda mines to the extent of $350,000 to reimburse them for any losses in operation in the next five years, and I am sure the people of Canada will approve of that kind of railway construction at any time, in any

part of the Dominion, especially when the Canadian National Railways are being protected as they are in this case.

Sir HENRY DRAYTON: If I follow the hon. gentleman's argument, he thinks that it was unnecessary to come to parliament in this instance because the road was necessary. Well, is it necessary to come to parliament only when the road is unnecessary?

Mr. CAHILL: I did not say anything about the necessity for coming to parliament; I was leaving that argument to my hon. friend.

Sir HENRY DRAYTON: That is the point.

Mr. CAHILL: That point does not enter into it at all. The Canadian National Railways, under a statute passed by the Conservative government between 1911 and 1921, were at liberty to construct the railway in this way and apparently it was a distinct advantage to them to do so inasmuch as they got an advantage of $350,000. Evidently they considered that worth while and they came to the government for its sanction and obtained it. The railway will be constructed and will be of great benefit not only to that part of the province of Quebec but to the Dominion as a whole.

Mr. MEIGHEN: If it would be entirely wrong for the Canadian National Railways to apply for a subsidy direct to the government of the province of Quebec, how is it right for them to get it indirectly?

Mr. CAHILL: Being wrong in asking and wrong in getting are two different things. I do not think it would be wrong for the Canadian National Railways to look for assistance from any province if they could get it, but what province could justify giving it?

Mr. MEIGHEN: The virtue of the action of the Quebec government is in getting the thing done through a dummy company?

Mr. CAHILL: I am not interested in how they do it so long as the road is built. The road will be of advantage to the district and of advantage to the Dominion as a whole, and the people will approve of its construction especially when the Canadian National Railways are to be reimbursed to the extent of $350,000.

Mr. H. A. STEWART (Leeds): The volume of congratulation to yourself, Mr. Speaker, has been so extensive, so general, so sincerely expressed by the many members who have spoken on this occasion that perhaps nothing can or should be added to it. In fact it is possible that it may be detracted from somewhat by over-repetition. I however desire to associate myself with and to concur in what has been said so kindly regarding you, Sir, and to thank you for your kindness to me when a new member of the last parliament. I fully appreciate the consideration and the encouragement you showed me among other new members then, and the same consideration and encouragement which you are extending to the new members of this parliament.

Before proceeding with my address I want to refer briefly to the argument of the hon. member for Pontiac (Mr. Cahill), who seems either accidentally or deliberately to have avoided the real point of the dispute in this matter. On this side of the House we feel that this railway should have been built in the same way as any other and that the same proceedings, with the approval of parliament, should have been followed as in the case of any other branch line of the Canadian National Railways. A special bill should have been introduced and discussed in the House, and parliament should have been consulted as to the course to be adopted. I can see no difficulty, I can see no obstacle, I can see nothing to prevent the Canadian National Railways from getting all the benefits which they have derived in connection with this undertaking by taking the proper open daylight course such as they ought to have taken. But the difficulty is that we apparently have launched upon a course of procedure quite the opposite to that which should have been followed. We are embarking upon large capital expenditures in connection with our National railways without consulting parliament and without obtaining the proper authority, and that is what we complain of on this side of the House. We do not suggest that the railway was unnecessary, that it will not be of advantage; we object to the method that was adopted to secure its construction and the deception that was practised upon parliament.

We are considering a motion in connection with the Speech from the Throne, and the presentation of a Speech from the Throne necessarily suggests a consideration of the conditions under which that Speech is introduced. —the conditions as they exist in the government, the conditions as they exist in parliament, and the conditions as they exist in the country as a whole. And I think we are all agreed that at this time these conditions are peculiar; they are indeed exceptional. They are conditions such as have not occurred before in the history of Canada and such as we hope will never occur again. What are the conditions in the present situation? We have a Speech presented to the House of Commons through the mouth of His Excellency the

Governor General by a government without a head—a headless, spineless skeleton of a government. We have this Speech presented to us for consideration by a government supported by a minority party in this House, and the Speech deals in the most casual and superficial way with the important issues that were discussed during the campaign.

Let us make a brief review and see if we can arrive at an accurate estimate of present conditions. The last parliament consisted of 235 members. The government of the day was supported by a majority over all other parties and groups. It is true it was a small majority, but it was a reliable majority. The official opposition consisted of 51 members. The group to our left numbered between 60 and 70 members, all of whom were friendly to and were really allies of the government. The Prime Minister decided to dissolve parliament, although it had more than one year to run. Speaking of conditions as they then existed, he said at Richmond Hill:

> That brings me to the situation with which at the moment the government is faced. As a government we can carry on until 1927 if we so desire. As I have already said, I have not the least doubt we shall be able to command such support as we all along have had in the House of Commons at another session; but shall we be able to do more than that? That is the question I have put to everyone of my colleagues in the government and to not a few of the members. It is a question I now put to you who have honoured me with your representation in the House of Commons. It is a question I put to the electorate of this country. Is it sufficient that as a government we should continue in office, drawing our indemnities and salaries as members and ministers and enjoying the other fruits of office when great national questions press for solution, with which for want of an adequate majority in parliament we are unable to cope.

And he added:

> I would say, further, I do not believe that any of the four can be dealt with effectively by a government which is not supported by a substantial majority in the House of Commons. Group government and minority government may be inevitable in transitional phases of our political history, but neither is the kind of government wherewith to achieve great reforms. In both Great Britain and the United States the electorate has shown within the very recent past that it wishes no more of either form, that what each believes the existing situation requires is a national party representative of all parts of the country, sufficiently strong in the representation it sends to parliament to ensure the carrying out by the government of its plans and policies.

A few days later, after dissolution had taken place, he said:

> If we were again faced with the situation that confronted us in the last four years, I should ask for another dissolution of parliament to get this matter straightened out, until we got a majority sufficient to meet the country's needs.

Then he proceeded:

> Parliament was dissolved because the government felt it could not bring in reforms, could do no more than draw salaries without a clear majority. If we should ever be faced again with conditions such as obtained in the last four years, I would not hesitate to again call upon the Governor General to dissolve parliament, and would continue until some party secures a majority to enable it to carry on the affairs of the country.

So, Mr. Speaker, we had an election called by the Prime Minister at his own time and on terms which he himself laid down specifically and clearly. By his declaration on that occasion he entered into an implied, if not an expressed, contract with the country that if those conditions were not met he would no longer attempt to carry on. Well, Sir, we have had that election, and the conditions laid down by the Prime Minister as the only conditions upon which he would continue to hold office have not been met. Notwithstanding this fact, in the face of his failure to secure the endorsement of his government at the polls, which he said was absolutely essential to him and his party, he stills clings to office. The election has demonstrated that we have a government absolutely unable to carry on—and worse still, without the moral courage to resign.

What is the position of our friends to the left? They have been returned as a party of only 24 members. To-day the Progressive and the other minority groups are sitting on the safety valve of public opinion, and the inevitable explosion will destroy them and their allies. But what is the position of the official opposition, Sir? It has come back with its membership more than doubled. From the way the people voted is not their intention perfectly clear? I submit there is no doubt whatever that the government got its mandate on October 29—not to carry on, but to resign.

If the government expected to be supported in the new parliament they should have laid down conditions something like the following before they decided on dissolution: We have at the present time a majority in the House of Commons. We are going to dissolve parliament because we cannot carry on successfully. If we get a smaller representation in a larger House as a result of the impending election, we will endeavour to carry on. Instead of not believing in group government, we will perpetuate it—we will perpetuate minority government. No, Sir, the people never voted for minority government; indeed they never voted for government by any combination of minorities. Their intention was perfectly plain. But what has happened? Instead of a government with a clear mandate, and with a strong majority to carry out that mandate, we have a Liberal-Progressive-Labour-Independent government

attempting to carry on. We have a government that cannot function. On this side of the House we have the largest party, and according to all well-established constitutional practice, we are entitled to be called upon to form an administration. We have a deadlock parliament, we have an anxious people, all because this government took a false step, and refuse to abide by the conditions which it imposed in the election, and because it refuses to recognize the verdict of the people on the 29th of October last.

Then, Mr. Speaker, this House is called and parliament meets, and precedents are cited as to the course we should adopt. The volume and the tenor of the precedents cited are all in the same direction. The government and those supporting them say: We will sweep away and disregard all these precedents. Well, Mr. Speaker, that is the only way for the government to deal with these precedents—just sweep them aside—for if the government paid any attention to them, as they were all against them, they would be unable to carry on. Then they say: We will make our own precedents. Mr. Speaker, we have gone out into the wilderness, and we are now wandering there; this parliament is not getting anywhere, this government is not getting anywhere, and we will not get anywhere until we return to the safe, straight path of constitutional practice as shown in the precedents of the past. Some of our friends tell us: Use your common sense. Very good advice, of course. Well, my common sense tells me that this government was defeated on the 29th of October; I think the common sense of most members of the House leads them to the same conclusion, and the common sense of the Canadian people undoubtedly leads them to that conclusion.

The Solicitor General (Mr. Cannon) seemed to fear the consequences if the government resigned; he was fearful as to what might happen if the leader of our party were called on to form a government. Fear, Mr. Speaker, is not an attribute of a strong man. The Solicitor General is not a weak man; he is strong, but his fear in this instance seemed to be almost as great as his fear during the last campaign of the consequences of the next war with Turkey. But his fear was just as groundless. I am sure that nothing serious would have happened; on the contrary, advantage to Canada I think would have resulted from the government having resigned and the leader of this party having been called on to form a government.

That brings me to a consideration of the Speech itself. It is a rather remarkable document. It is in some respects more like the last will of a dying testator, a will that had been brought about by influences imposed upon that testator, and a will that shows that some of the property or assets had been overlooked, because we have no reference in the Speech to the question of Senate reform—surely, a very valuable asset to the Prime Minister in his campaign in some parts of Canada.

Some paragraphs of the Speech from the Throne are not open to any objection whatever. There is one referring to the death of Queen Alexandra, the bereavement in the royal family. The royal family occupy a very high, a very exalted place in the esteem and affection of the Canadian people and of the British people in all parts of the empire, and it is perfectly fitting and proper that there should be a reference in the Speech to this bereavement. The crown of the King of England rests very securely upon his head, notwithstanding the convulsions of the late war, and British institutions are as firmly established, in fact, perhaps more firmly established than they were before that catastrophe which shook the world to its foundations. Britain is paying her debts, even if she does not collect her own from those who are indebted to her. She is reducing her taxation and continuing to hold her place of leadership among the nations of the world in the conferences of the League of Nations. The Prince of Wales, noble representative of the royal family, visiting outlying parts of the empire and distant parts of the world, is carrying with him the goodwill and sympathy of a mighty empire, and begetting for himself and for that empire sympathy and goodwill in all parts of the world. In some respects he is perhaps the best ambassador the British Empire has.

5 p.m.

The Speech refers to the growing prosperity of Canada, a subject upon which there has been a good deal of controversy, one in respect to which there is considerable difference of opinion. The Speech, however, does not, as is usual, express any thanksgiving to the Almighty for contributing to this increased prosperity. Perhaps that was deliberately omitted, perhaps it was intentional, because if proper credit is given in that direction there is very little credit left for any other source.

Reference is also made to our export trade. Of course, it is desirable to have a large export trade, providing it is an export trade of the right character, providing it is not an excessive export trade of the raw materials

which should be retained and manufactured in Canada. We have, of course, a large export trade of agricultural products, due to good crops and to good prices, for which this government is not entitled to the slighest iota of credit. But it is entitled, Mr. Speaker, to criticism for not having adopted a policy that would retain for development in Canada the largest possible amount of our natural resources, and that would not permit the export of these natural resources until they had been finished as far as possible.

There is also a reference to the increased earnings of our railways. These, of course, are encouraging, and they are due in no small measure to the excellent crop to which reference has been made.

Reductions in taxation are mentioned, but I think the Canadian people when they look around will have difficulty in finding in a practical way any reductions in taxation in Canada. Our record in that respect does not compare favourably with that of the adjoining country or of other countries of the world. We have all the taxes that we were paying when this government came into power, and we have in addition some new ones, and we do not see much sign of relief.

The next subject that I shall deal with is immigration. Mr. Speaker, the history of the last four years in this important field, so far as Canada is concerned, has been one of disappointing failure. It is really a tragedy when we think of it; when we attempt to review it; when we think of what has happened and of what might have been. The four years during which it should have been easy to get the most desirable immigrants from Europe have been allowed to pass with a minimum of accomplishment in this direction. Following the war, conditions, as we all know, were unsettled in Europe. Expert workmen were prepared to leave their shattered homes and seek employment and occupation in other countries, particularly in Canada. Yet these have not been secured to this country. We have not been able to get the numbers of immigrants which other parts of the empire have obtained. We have not been able to settle these people on our lands, and have not been able to get any adequate or proper return for the many millions of dollars we have expended in this direction. There are too many agencies, too many branches, working in connection with this immigration question. What we need is a consolidation of these efforts. What we want is a policy such as was outlined from this side of the House the other day by the hon. member for Victoria, B.C. (Mr. Tolmie), a policy that I am sure must commend itself to all who have made a study of this important question. We need all the immigrants we can get from the British Isles. They at least understand one, and in some cases two, of our official languages. They are familiar with our institutions, and with our habits, they can readily adapt themselves to conditions in Canada. We should adopt, as the hon. member for Victoria, B.C., said, a colonization scheme that will settle these people upon our lands.

But the saddest feature of it all, Mr. Speaker, is the emigration of our people during these years to the United States of America. Over 500,000 of them have gone to the neighbouring republic, and what is the use of bringing immigrants from Europe to Canada at great expense when we fail to adopt a policy that will retain our own Canadian people, and provide them with work and wages in our own country. That, I think, is the saddest part of this whole question. And yet we on this side have been imploring, even urging, the adoption of a policy which will give these men employment in Canada, that will give them work and a pay-roll, that will stop this leak of our best young men to the country to the south of us, and at the same time will assist in solving our railway problem and our industrial problem.

The next item in the Speech from the Throne with which I will deal is rural credits. And here I wish to point out that this question has been pressed upon the government by those who have been particularly interested in it for some years. But it has been evaded by the government. They have trifled with it; and last session we had the farce of legislation presented for our consideration which simply had the effect of assisting the provinces to do something which they already had the power to do. Of course nothing came of it. Now, Mr. Speaker, I think we must go back a bit and consider the provisions of the British North America Act in connection with this matter. The Fathers of Confederation had a conception as to a division of powers between the provinces and the Dominion, and that act provides that the provinces shall deal with matters of local concern and with property and civil rights in their respective jurisdictions. We have in several of the provinces legislation dealing with this question of rural credits. I submit that it is one primarily and principally, if not exclusively, for action by the provincial government. The conditions in the various provinces differ, and the laws regarding real property, of course, are different in the several provinces, or at least may be so. And all the Dominion should be asked to do is to pass any enabling legislation that may

be necessary to permit individual corporations, or the provinces themselves, to deal with this matter in the light of their local conditions, with a view to their local requirements, and in harmony with existing legislation upon the subject. Funds should not be provided by the Dominion government for this purpose. If such action is taken we shall have difficulty and we shall have conflict of jurisdiction. Furthermore I submit that if we enter into this field we shall necessarily have to create a new organization and incur much added expense. Therefore, my contention is that we here should only pass such enabling legislation as may be necessary to empower the provinces to deal with this question themselves.

Then, Mr. Speaker, the next subject dealt with in the Speech is that of the tariff, a very large, a very wide, a very complicated subject. But it is not necessary for us on this side of the House to say much upon this question. The Canadian people know where we stand; they know what our policy is. We went to the country boldly and fearlessly upon that policy with 51 followers and we came back with 116, a magnificent endorsement of our fiscal programme, which after all was the leading issue in the late campaign. Hon. gentlemen opposite picture us as a high tariff party. They did that during the campaign, and if the result is as I have stated it to be, then it is pretty clear evidence to me that the Canadian people are very generally in favour of a fairly high tariff at this time. But the Speech from the Throne contains all sorts of meaningless expressions, such as that a general increase in the customs tariff would prove detrimental to the country's continued prosperity, and prejudicial to national unity. Well, Mr. Speaker, with me agriculture comes first in this country. There is no occupation that is attended with greater hazard, and where the returns for the industry employed in that occupation are smaller than they are in the case of agriculture, and I contend, Sir, that we have ample evidence before this House at the present time—and have had it for months, yes for years—that this industry needs additional protection. I contend, Sir, that there is ample evidence before this House, and has been for months—yes, for years—that this industry needs additional protection. If anything were needed to convince us of that, it is the representations that have been sent to the government on behalf of the different agricultural societies in this country from time to time as to the effect of the operation of the Australian treaty. That treaty, which was brought into force on the 1st of October, 1925, and was subsequently extended by order in council to apply to New Zealand, I opposed when it came up in the House. I felt it my duty to do so in the interests of agriculture. I foresaw that under its provisions the dairy industry would be seriously affected by the imports that would inevitably follow, and the happenings of the last few weeks have abundantly established the soundness of that view. We have an import into Canada of over 2,000,000 pounds of butter from Australia, and that has had the effect of depressing the price of butter to the Canadian farmer at a time of the year when his cost of production is greatest and the cost of production in Australia is low. In other words, this competition takes place when it is summer in Australia and winter in Canada.

I think I should put on record a comparison between the rates of duty prevailing against Canadian products and those against foreign products that come into Canada. Under the provisions of the Australian treaty butter comes into Canada under a duty of one cent a pound, but Canadian butter going into Australia faces a duty of six cents a pound. Cheese from Australia comes in free, while Canadian cheese going into Australia pays six cents a pound. Eggs come from Australia free of duty, but meet a duty of eighteen cents a dozen if we send them from Canada to Australia. Fresh and smoked meats coming from Australia to Canada pay one-half cent a pound, but if we attempt to send those articles to Australia we are met by a duty of five cents a pound. We must bear in mind that in connection with butter and perhaps other farm products of Australia there is a bonus, or something which is the equivalent of a bonus, either from the public funds or from other sources, for their export to Canada. The handicap under which this Canadian industry is placed, therefore, is apparent; there is an unfair advantage in favour of its Australian and New Zealand competitors, and the failure of the government to take into consideration the prime duty of protecting the agricultural interests of this country is a matter for censure.

The United States tariff against Canadian products should also be considered in this connection. Wheat going to the United States pays 42 cents a bushel. Our duty against American wheat is 12 cents a bushel. Corn going from Canada to the United States pays 15 cents a bushel, but United States corn comes into Canada free. Wheat flour pays $2.04 a barrel going to the United States and 50 cents a barrel coming into Canada. Hay

going into the United States pays $4 a ton, but American hay coming into Canada pays $2 a ton. Fruits pay 35 per cent going into the United States and 25 per cent coming here. Butter pays 8 cents a pound going to the United States and 4 cents a pound coming to Canada. Cheese pays 5 cents a pound going to the United States but only 3 cents a pound coming to Canada. Eggs pay 8 cents a dozen going to the United States but only 3 cents a dozen coming here. I contend that this is unfair and unjust and that the interests of agriculture in this country are not being looked after and protected by this government as they should be. I wish to point out the policy of this party as expressed by our leader, that when he comes into power the very first schedule of the tariff to be raised will be that relating to agricultural products.

It was said that the issue in the province of Quebec was low tariff. The address of the member for Kent, N.B. (Mr. Doucet) indicates that there was something low in connection with that campaign—and it was not the tariff; I think it was the tactics that were low in the province of Quebec. I regret very much that the Minister of Justice (Mr. Lapointe) has not seen fit to rebuke the statements or utterances which have been placed on Hansard by some of his followers in that province, and I ask him to do so at the first opportunity. If he does so, his eloquent speeches in other parts of Canada in favour of the union and the necessity for national unity will have very much greater effect.

Now Mr. Speaker the question of the tariff opens up a very wide range of discussion, and we will of course have an opportunity of dealing with the subject when the budget is brought down. The only other matter to which I wish to give some consideration at this time is the proposed appointment of an advisory tariff board, which was referred to in the Speech from the Throne. What is to be the scope and power of this board? Is it simply a device to enable the government to sidestep this question in the House of Commons? I submit that before any tariff board is appointed this House should decide the principle upon which that commission is to undertake the investigation. Are we to have a tariff that is framed on a protective basis, as we advocate it should be? Are we to have a low tariff, or are we to have a tariff for revenue? Before this tariff board is appointed and called upon to function, these questions and principles must be decided in the House. Let me refer to two incidents which I think are very important in this connection. The first is the resolution passed by the legislature of Saskatchewan in the year 1923; and I think it is relevant now in view of the fact that the gentleman who has been premier of that province has become a member of the government. I refer to the Hon. Mr. Dunning. The resolution that was passed on March 1, 1923, in the legislature of Saskatchewan reads:

> Resolved, that in the opinion of this assembly, it is the duty of the government of Canada to introduce legislation which shall have for its effect the following:
> (1) An immediate and substantial all-round reduction of the customs tariff.
> (2) The reduction of the customs duty on goods imported from Great Britain to one-half of the rates charged under the general tariff, and that further gradual uniform reductions be made to the remaining tariff on British imports that will insure complete free trade between Great Britain and Canada.

That was the view of that gentleman at that time. I think I should refer to the speech of the Prime Minister in this House on the budget on May 15, 1924. Speaking on that occasion, shortly after the passing of the resolution to which I have referred, the Prime Minister said:

> No more tariffs based on the principle of protection—as set forth in the resolution of the Tory party, moved in this debate too late to be accepted—but a tariff based on the principle of revenue.
> That was "our policy" in the past—the Laurier-Fielding policy. The words can have no other meaning. That is our policy to-day—the policy of the Liberal party—proceeding step by step towards the goal of greater freedom in matters of trade, never imposing a duty for protection's sake, but always acting on the principle or the basis of a tariff for revenue and revenue only. I repeat this statement in the hearing of hon. members and before this country, this is the position of the Liberal party. We believe in proceeding step by step. We believe when it comes to a question of imposing a duty in having duties framed on a tariff for revenue basis and not on the basis of protection.

That is the statement of the Prime Minister in this House as recorded in Hansard. What is the statement now? What is the position of the government now? Is it still the same? Are they opposed to protection? Is their tariff to be one on a revenue basis? These questions must all be determined before any tariff commission can properly function.

Our position on this matter is perfectly clear. We say that the tariff should be distinctly protective in its character—protection for agriculture, for industry, for labour, for all the interests of Canada on a fair, sound and reasonable basis. That is the policy outlined by my leader; that is the policy for which I stand. That is the policy to which I proclaim my faith and in which I say that the people of Canada expressed their faith on the 29th October last.

Some reference has been made to trade treaties and these have been so ably dealt

with by the hon. member for Lincoln (Mr. Chaplin) that it is not necessary for me to go over them again. I desire, however, to point out that in every one of those treaties there has been a substantial loss of revenue to Canada; there has been a substantial decrease of exports to the countries with which those treaties have been made, and there has also in every case been an increase of imports from those countries to the detriment of Canada. We import annually at least $60,000,000 or $70,000,000 worth of farm products that should and could be produced and provided by the Canadian farmer for the Canadian people. We import annually at least $500,000,000 of manufactured products that could and should be produced in Canada for the benefit of the Canadian people. As a matter of fact the government has been tinkering with and nibbling at this tariff until it has unsettled industry and caused capital to lose confidence and to hesitate to embark upon new enterprises. It has closed factories and converted others into simply distributing depots for the products of other countries. It has driven hundreds of thousands of our good Canadian artisans and workmen to go unwillingly to the United States to seek and find there employment which was denied them but which should have been provided for them at home. I again proclaim my faith in my leader and his policy, in the protective policy which he has laid down and which has been so splendidly approved and endorsed by the Canadian people. When a tariff commission is appointed I hope it will be appointed under his leadership, his auspices, and that it will have a protective basis to work on. Why have we delayed so long? We have been told that this was coming. For three or four years the creation of such a commission has been talked about, and all that time there has been uncertainty and inaction. I strongly suspect that this suggested tariff commission is just a device to evade a fair, square, honest dealing with this important question owing to the peculiar complexion of this House and owing to the fact that the statements of policy on the part of the government are so conflicting, confusing and contradictory that it does not know what course to take in this matter.

The next question I want to deal with is the Hudson's Bay railway. The remarkable feature of the Speech from the Throne in its reference to this matter is its intimation that this important railway is to be constructed forthwith—right away. It cannot wait. But all the reasons that now exist for the construction of the Hudson Bay railway existed for four years in the last parliament; all the pressure that could possibly have been brought to bear on the subject by those interested was applied during that period. The Hudson Bay railway is a project in respect to which we have had a great deal of discussion and debate and upon which there is conflicting information and difference of opinion. Personally I am not satisfied that this railway should be completed, but apparently it is of great importance to the western provinces. They seem to be vitally interested in it and to have faith in it, and I would go a long way toward doing anything reasonable, anything proper, anything calculated to give them a measure of relief, providing that it could be done consistently with the financial resources of this country. But we are at this time under a very heavy burden in connection with our railway commitments, and we cannot lightly or without sufficient information embark upon any enterprise that will mean a large expenditure of money. We are entitled to know in this House whether this means an expenditure of $3,000,000 or $30,000,000. Does it mean simply the completion of the railway to the Hudson bay, or the completion of extensive and expensive terminals? Does it mean extensive dredging, lighthouses, wharves, elevators and all those costly additions that go to make a port on the Hudson bay and to make navigation possible? The House should be informed by the government what this "forthwith" commitment means, and whether it is $3,000,000 or $30,000,000.

Now I have given this matter my best thought and attention and I am going to make a suggestion. As I say, the western provinces are deeply interested in it and I should like to see their hopes realized. I understand that between $20,000,000 and $25,000,000 have already been invested in that enterprise and the government is considering turning over to the western provinces their natural resources. Why can we not turn over the Hudson Bay railway to those provinces along with these natural resources? Let them take the $20,000,000 or $25,000,000 which we have put into it. Let us say to them, "We make a present of this to you and we hope the enterprise will be a success. Do the best you can with it." And let us incorporate in this House a company, not a dummy company, and capitalize it for what has already been spent in this investment, together with such other sum as may be necessary to complete the undertaking, and hand that capital over to one, two or three of the western provinces as they may care to take hold of it among themselves. If the three of them will not join, then give it to two, and if two

of them do not care to undertake it and one will, let that one have it. Let them construct the railway and contribute on their part such capital as may be necessary for the purpose and contribute to any deficits there may be in connection with the operation of it in proportion to their holdings in it; and let them share the profits in the same way. In that way the western provinces would secure the construction of an enterprise in which they are vitally interested. They would have as a free gift the millions of money already contributed by Canada, and they would control the operation of the road on such a basis and with such rates as would be to their advantage. I offer that suggestion for consideration and I sincerely hope that in any case some way may be found that will meet the views of the west without committing us to any large expenditure at this time.

The Speech from the Throne suggests the appointment of a commission to deal with Maritime rights. This government has what I would call a commission policy: it seems that when anything troublesome or difficult arises the government appoints a commission to deal with it and thereby to gain time for itself. It was my pleasure this summer to visit the Maritime provinces and I endeavoured as far as possible to improve the time I spent there by becoming familiar with their problems. I want to testify to the kindly hospitality of those people and to their loyalty, their patriotism and their devotion to Canada as a whole. They have, as they feel and sincerely believe, some grievances and those grievances are in my opinion capable of adjustment to the satisfaction of the Maritime provinces and to the advantage of the Dominion at large. I am extremely sympathetic with their situation, and after listening to the addresses of the gentlemen who represent the Maritime provinces in this House, I submit that we do not need any commission to find out what those grievances are and what the people down there desire by way of remedy. Their difficulties are in part similar to the difficulties that are to be encountered in the rest of Canada; for one thing they are suffering for a want of reasonable protection in connection with some of their industries, as they have said. Their other troubles have largely to do with railway rates. They are able to explain the situation, they are able to state quite clearly just what is wrong with the Maritime provinces; and surely a government that had in the last parliament sixteen supporters from the province of Nova Scotia does not need to appoint a commission to find out what their grievances are, what disadvantages they are under, and what remedies they require.

The Speech from the Throne is remarkable for some things which it does not contain as well as for what it does contain. It does not contain anything that is in the nature of a policy to deal with the coal question as it affects the whole of Canada. This question has been discussed at different times in the last two or three years and the Canadian people have arrived at the point where they want to use Canadian coal. And they are prepared to pay a little more for Canadian coal than for American coal. The people are sick and tired of all this jockeying, of all these strikes, and of the fluctuations in price and supply and, as I say, they are willing to use the Canadian product even at a little greater cost to themselves. The government have known this and yet they have brought down no policy. I submit that it was their duty to do so, and I venture to say that the policy as outlined by my leader (Mr. Meighen) is the one which, in harmony with his other proposals, will bring about the use of Canadian coal by the Canadian people. Let us protect the east and the west from the handicap of distance as we protect the manufacturer from the handicap of mass production and cheap labour abroad, and as we should protect the farmer from the cheap products of other countries. It is just an application of that general all-Canadian policy which, if it were properly worked out, would I am sure solve our difficulties. There would be no trouble in getting a coal supply in Canada for all our requirements, with advantage to the Canadian people and to Canadian labour.

Nothing is said in the Speech about the very important question of hydro-electric power on the St. Lawrence. This has been before the government for consideration for some years and I press again, as I have done on previous occasions, for a bold, courageous dealing with the matter and for immediate action, so far as it is within the power of the government. In connection with the Chicago water steal, we are writing letters but we do not seem to be getting anywhere, and on behalf of all interests along the St. Lawrence river I urge the government to take every possible measure that it can to prevent further injury to the ports and the navigation interests of Canada. One would have thought, Mr. Speaker, that in view of the information which the government had and of the disclosures which have been made that something would have been said in the Speech from the Throne about the frauds practised upon our customs revenue, and that the government would have taken measures to prevent their continuance.

There is also, of course, Senate reform, which is conspicuous by its absence. The country anxiously awaits the policy and the attitude of the government in this connection.

It is true that we have a supplementary Speech from the Throne, as it were, in answer to a question put to the government by an hon. member—we are to have old age pensions. I think Canada can well allow old age pensions to stand over for a while. This policy would probably entail an expenditure of twenty-five or thirty million dollars per annum and I submit this is not the time to impose on the country such a heavy financial burden.

Now, Sir, I claim to represent labour in my constituency, both organized and unorganized. If I understand the attitude of labour, it is favourable to a revision of the tariff that will ensure employment of our own people at home at remunerative wages. The member for North Winnipeg (Mr. Heaps) got into discussion with the member for Muskoka-Ontario (Mr. McGibbon) this afternoon, and I think both hon. gentlemen claim to speak exclusively for labour. I wish to put on Hansard a letter which recently appeared in an Ottawa paper, written by E. E. Sheppard, of North Bay, and leave those two hon. members to deal with it. It is dated February 9, 1926, and is as follows:

Sir:—As an ardent advocate of the principles of Labour, I wish to protest at the course now being taken by two gentlemen in the House of Commons who presume to speak for Labour. Some years ago in the province of Ontario we had certain gentlemen who claimed they represented Labour in this province. They affiliated themselves with other political bodies for the purpose of creating a Government in this province. This association did Labour in this province inestimable harm. Labour is suffering to-day from the effect of it. And it is with this thought in mind that I wish to raise my voice in protest to the course now being pursued by Mr. Woodsworth and Mr. Heaps.

I believe those gentlemen owe their seats in Parliament not so much on account of any great policy they have proposed or advocated in the interests of Labour as to their ability to capitalize, or cash in, on the misery and disappointment brought about by their own mismanagement of the Winnipeg strike, and that prejudice rather than good judgment is the guiding spirit of their present course. And should they continue to follow this course Labour in justice to herself should absolutely disown them.

My objection to those gentlemen is that they have associated themselves with a low tariff government and with the grain growers' movement in the west, which was a blow at the very heart of Labour. Either the Progressive movement politically in this country must be smothered or Labour will be forced backward until a condition of serfdom will eventually absorb the working classes. There is no common ground on which Labour can meet the Progressive on his present policy.

Is it not a fact that Labour's ambition and principle is to provide the members of the various crafts with remunerative employment, with a chance to earn a livelihood in their own country, by developing the talents that the Lord endowed them with that they are entitled to life, liberty and pursuit of happiness? But instead of proposing or supporting a policy of this principle, the two above named gentlemen go along with our friends the Progressives, who, unable to make progress themselves in their daily occupations, are determined to hold back every other element in the country.

How can Mr. Woodsworth or Mr. Heaps look honestly into the faces of the fathers and mothers in their own constituency and tell them they are using their positions as members of parliament in supporting a policy which denies Canadian sons and daughters an opportunity to develop in their own country their inherited talents?

They support a policy which will deny the Canadian an opportunity of selling his products in a foreign country, because of that country's tariff against us, and which will allow the foreigner the right to dump his excess production in the Canadian market, thus either forcing the Canadian out of employment and to emigrate to a foreign country, or of accepting wages which do not permit him to maintain the standard of livelihood aimed at by Canadians.

E. E. SHEPPARD.

Mr. HEAPS: May I ask the hon. gentleman if he knows the writer of that communication?

Mr. STEWART (Leeds): I have just given his name and address.

Mr. HEAPS: But does the hon. gentleman know him personally?

Mr. MANION: I do, Mr. Speaker. He is a conductor on the Temiskaming and Northern Ontario railway.

Mr. HEAPS: I may inform the hon. member for Leeds that the constituency which I have the honour to represent—

Some hon. MEMBERS: Order.

Mr. HEAPS: I may state that I have received several resolutions from my constituents approving of the stand I have taken in this House.

Mr. STEWART (Leeds): The sentiments contained in this letter express exactly my own sentiments, and also, I think, the sentiments of labour in the constituency of Leeds. If my hon. friend will investigate, I think he will find that the writer, in fact, expresses the sentiments of labour throughout Canada. I resent the claim of the hon. members for Winnipeg North Centre (Mr. Woodsworth) and North Winnipeg (Mr. Heaps) to speak on behalf of labour in the constituency of Leeds. I purpose to represent their interests in this House to the best of my ability.

In concluding my remarks, Mr. Speaker, may I again refer to the peculiar conditions in this House? The government gave its solemn undertaking that if it did not obtain a majority of the members returned to this House it would not attempt to carry on. In

direct violation of that undertaking and in face of the verdict of the people it is still attempting to carry on. The eyes of the people are upon this government and this parliament. The people are anxious and alarmed. They desire—they demand that this political paralysis shall cease. They cannot understand why a small and discredited minority can combine with other minority groups in this House to defeat their will. During the last few days we have heard of the probability of closure being resorted to by our friends opposite. Well, Sir, this so-called government cannot closure the thoughts of the people. Let me tell hon. gentlemen sitting on the treasury benches that the people, including many of their own followers, are very much dissatisfied with the effort of this impotent, headless, spineless skeleton of a government to cling to office, and are insistently demanding its resignation. For they realize there can be no improvement in national conditions until this enfeebled government either resigns voluntarily or is driven from power.

We all desire, Mr. Speaker, a united Canada. We desire that Canada shall be united in bonds of sympathy from one ocean to the other. We desire that goodwill shall prevail. We desire that there shall be a common understanding and a common undertaking. We all deplore the dangers of sectional policies and of sectional appeals, and there will be no restored confidence, there will be no improved conditions in Canada, until we return to the administration of our affairs on the principles of responsible government.

I submit, in conclusion, that the Conservative party, the largest party in this House, has the policy and the programme that will unite Canada in one common bond of sympathy, in one common undertaking, and that the resignation of this government and the setting up of a government under the leadership of my hon. leader will restore confidence in Canada as nothing else will. I claim, Mr. Speaker, that he is entitled to lay his platform, his programme and his policy before this House as the leader of the largest group in the House, and that if that policy does not meet with the approval of this House, as I am sure it will, he is entitled to appeal from this House to the Canadian people, and I say here and now that that is the proper course to adopt, and I can promise you, Sir, that we will abide loyally by the decision of the Canadian people.

At six o'clock the House took recess.

[Mr. H. A. Stewart.]

After Recess

The House resumed at eight o'clock.

Mr. T. L. CHURCH (Toronto Northwest): Mr. Speaker, as one of the members from the city of Toronto I wish to say that in none of the nine provinces are you more honoured and respected than you are in the province of Ontario. You, Sir, have devoted your life to the public; you have graced many spheres of activity, and it is no wonder that you are honoured and respected in the province from which I come. In the constituency of Toronto Northwest, which I have the honour to represent, many veteran soldiers reside; the Christie Street hospital is situated within its precincts. The soldiers there recall that you gave your only son—a splendid young man—at the age of eighteen years to the service of his country. He could not get to the front too quickly because he thought the war would be over before he had done his part, and he went to the front as a lieutenant. When he succumbed to injuries received on the field of battle it was a great loss to Canada that such a gallant young type of Canadian should fall for his country.

I regret, as one of the members from the Toronto district, that the late Minister of Railways and Canals, Mr. Graham, has not been more generously treated by his party. In Mr. Graham the people of this country had a public servant who served the citizens of Canada with fidelity and with zeal for the public welfare. We in Toronto have learned to appreciate the worth of Mr. Graham because he was largely responsible for the solution of the viaduct problem on our waterfront, having given us a great deal of help to attain this end in the parliamentary session of 1924. I do not think it creditable to the party system of government that he should have been treated in such an unsportsmanlike manner.

We on this side of the House are a very happy family. We have a leader that every Conservative member and every Conservative, I believe, in the country, is proud of. He has given his best years and his great talents to Canada's service and given them in unstinted measure. Owing to his devoted service in behalf of Canada, and as a result of that generous public service, he is to-day a comparatively poor man, and I resent a statement in a paper in my own city—a city in which there is no bigotry but rather a manifestation of real public spirit—in which it attacked the leader of our party. When the Conservative party wants a head it will not go to the Evening Star, a newspaper which

has been the hangman and undertaker for every party it has supported or is supporting. This is the same journal which tried to crucify Sir Adam Beck and the hydro-electric movement in Ontario. It is the same which ridiculed the late Sir James Whitney. It did its best to wreck the Hardy-Ross government, and with its championship of reciprocity in 1911 it helped to defeat the late revered leader of the Liberal party, Sir Wilfrid Laurier, a statesman whose name will always be respected in Ontario. The same paper went over to the Conservative party and forced its views on Sir William Hearst in reference to the Ontario Temperance Act, in an attempt to solve the temperance problem. I am grateful that I am not indebted to it for any support. The Toronto Evening Star also forced itself on the Raney-Drury government—the so-called Labour-Farmer government—and you all know what happened to them.

I wish to refer to a statement made in this House a month ago as to a statement alleged to have been made with respect to the soldiers by the premier of the province of Quebec, the Hon. Mr. Taschereau. I was sorry the hon. member made the statement, because Mr. Taschereau is one of the most progressive premiers in Canada. He is a great Canadian; he has always shown himself to be a fair-minded and honourable man and has invariably received a hearty welcome when he visited the city of Toronto. I learned with sorrow that Mr. Taschereau was quoted, or misquoted, as saying in a public statement that 60,000 Canadians were buried in France because the head of the majority group in this House, the Right Hon. Arthur Meighen, had signed the Military Service Act. I come from a city which sent 60,000 soldiers to the Great war. These men enlisted and went to the war, but not under the Military Service Act; ninety-nine per cent of them went voluntarily to the front. Five thousand soldiers from the city of Toronto are lying dead in Flanders' Fields. There are few of 60,000 who enlisted under the Military Service Act buried in Flanders or in France; very few of that glorious 60,000 were conscripted. I am very sorry to see that statement appear in the press, because it is not correct.

I do not see very many of my Progressive friends here to-night. This afternoon they all walked out of the chamber—all but one or two. I say that their free trade policy has been responsible for the exodus which has occurred from the Dominion of Canada during the past few years. The only difference that I see between a Liberal and a Progressive is what I would call a distinction without a difference, or a difference without a distinction: after all it is the difference between Tweedledum and Tweedledee. A Progressive is only a Liberal in a hurry. He wants to go ahead with a hop, step and a jump, as we see by the policy of that group in regard to the Hudson Bay railway, marketing, transportation, and so on. I think the group system of government in this country has failed. It is now a relic of the past, and I hope that in a very few years, or—better, in a very few weeks or months—we shall be able to restore to the country government by party, responsible government by the people, for the people and of the people. The London Times, commenting on the late election in Canada, says:

> "Things have changed since the 29th October. The first few days of the session have sufficed to prove to Mackenzie King that the Progressives are in reality an advance wing of the Liberal party, or so he told the electors of Prince Albert; while a sufficient number of Progressives who have scrambled back to safety have found it convenient to postpone that infusion of moral courage and idealism so long as the necessity to face the electors again is postponed at the same time."

That is correct. Let me point out to the Progressives that just as Izaak Walton was the author of The Compleat Angler, so Mackenzie King is the author of The Progressive Angler; and he is something of a fisherman himself. There are many good sportsmen among the different groups in the House, but as an angler for Progressives, Mackenzie King has few equals. He uses different bait to catch different fish. He used the waters of the Newmarket canal for some of his fishing, but when that canal ran dry he transferred his angling to the Hudson bay. The bait he uses in the angling works admirably; in one catch he has landed the whole species of the Progressive group. There is no use in anybody else attempting to equal him as an angler for that type of fish. The hon. member for South Wellington (Mr. Guthrie) tried to fish in those waters and had about landed five, but they soon got off his hook and line, never to return. I told him he could never catch any fish in those Progressive waters. A fisherman from the Drury government, Manning Doherty, tried his hand at the so-called fishing in the Progressive waters, but he did not catch a fish during the whole four weeks he was here. A very fine young gentleman, the Solicitor General (Mr. Cannon), whom everybody likes and respects, said that I was the Tory of Tories on this side. I admit I am a Tory of the old school. I would not call myself a Progressive; I would not be so vainglorious as to do that. For that matter I do not see why the members at the other end of the chamber remain in that corner of the House, because their proper place is on

the other side. There is no use in their playing "puss in the corner" down there any more. I am a Tory of the old school; a Tory I was born and a Tory I will die. I am not a Tory here to-day and away to-morrow; I will be a Tory for the rest of my days, and I am endeavouring to do what I can for a good cause. I say to my hon. friends in the Progressive group that I, as one of the humble members from the Toronto district, stand by my principles whether in office or out of office. I would rather see the Conservative party out of office than see them violate the principles which the Conservatives stood for in the country—the same policy from coast to coast, the policy of protection for every native industry. I would far rather see the Conservative party stand by its principles than make any bid for the support of hon. members to my left, who are so far apart from us and from our principles. I would rather see the party stay in opposition until doomsday than go into office as a result of the abandonment of its principles. I have no desire to see it go into office in violation of the principles upon which it was elected.

I come from the province of Ontario, which is paying forty-four per cent of the taxes of the Dominion, as I will show in a few minutes when I read the return. Ontario finds itself in a very peculiar position without a single cabinet minister. The capital of this country in my opinion has been transferred from Ottawa to west of the Great Lakes. The late Sir Wilfrid Laurier used to- say that Ottawa was the Washington of the north; to-day Regina has become the capital of the country and the Washington of the north. Saskatchewan is contributing in taxes $3.76 per head of population, or one-eighth of one-per cent of the total contribution—and has become the capital of the country. Ontario is contributing $52.21 per head of population, or 44¼ per cent of the total, and the province of Quebec contributes $52.24 per head of population, or 35½ per cent of the total contribution. These three provinces in the centre of the Dominion are paying their share of the taxes. We have west of the Great Lakes the leaders of the three groups. We have the new Minister of Railways and Canals, (Mr. Dunning), the young Lochinvar who has recently come out of the west. He is at the head of a large spending department, although he has very little work to do because Sir Henry Thornton, the great Pooh-Bah, is the head of the department, not the Minister of Railways or the railway commission. We have from west of the Great Lakes, representing a western constituency, an estimable gentleman presiding over the Public Works department. We have also the suave Minister of the Interior (Mr. Stewart) representing a western constituency. What have we in Ontario? Not a single minister sitting in the House to-day in this so-called government. We are supposed to have responsible government, but the old province of Ontario, which is suffering from a great many economic ills, is unrepresented in the cabinet. Why do the government not get a minister from Ontario? Why are they afraid to appoint one or two cabinet ministers from that province? We are in the seventh week of the session, and if that is the form of responsible government Ontario is to have I say there is a dark day dawning for the government. However, that seems to be the best they can do for Ontario.

I have a question on the order paper asking for the total revenue of Canada from all sources up to date, being information similar to what was brought down last year. This is a return showing who pays the taxes of Canada. It has been prepared very carefully by the Bureau of Statistics after three months of trouble in getting returns from all the provinces and municipalities. Let me explain that it takes about $346,000,000 collected by direct taxation to operate and maintain per annum the affairs of this country in all the different departments over a period of twelve months. Where does this cash contribution of $346,000,000 come from? It comes from direct taxation such as the income tax, sales tax, customs and excise taxes and many taxes like that. I do not refer to the $29,000,000 collected by the Post Office Department because that is a public utility and those who use the utility pay for it. Starting at the Maritime provinces, let us see what, taking the cash contribution and deducting the subsidy which each province gets, is the rate per capita contributed by the people of each of the nine provinces towards the government of this country:

Prince Edward Island—	
Cash contribution..	$450,100 64
Subsidy..	421,051 98
Net contribution..	29,048 66
Population..	109,078
Contribution per head of population..	26½ cents

Then we come to Nova Scotia and New Brunswick, those provinces that are setting up Maritime rights and that have some rights:

Nova Scotia—	
Cash contribution..	$7,375,545 77
Subsidy..	661,866 66
Net contribution..	6,712,679 11
Population..	523,837
Contribution per head of population..	$12 81

Or a little less than two per cent of the total cash contribution.

New Brunswick—

Cash contribution	$7,363,859 26
Subsidy	666,765 76
Net contribution	6,697,093 50
Population	387,876
Contribution per head of population	$17 26½

Or a little less than two per cent of the total cash contribution.

Quebec—

Cash contribution	$125,619,285 34
Subsidy	2,256,419 88
Net contribution	123,352,865 46
Population	2,361,199
Contribution per head of population	$52 24

Or 35½ per cent of the total cash contribution. Then we come to Ontario, unrepresented as it is by cabinet ministers:

Ontario—

Cash contribution	$155,936,028 09
Subsidy	2,642,611 68
Net contribution	153,293,416 41
Population	2,933,662
Contribution per head of population	$52 21

Or 44½ per cent of the total contribution.

Manitoba—

Cash contribution	$18,055,350 58
Subsidy	1,485,118 56
Net contribution	16,570,212 02
Population	610,118
Contribution per head of population	$27 15

Or 4¾ per cent of the total cash contribution. Then we come to Saskatchewan that has great representation in the cabinet, that is going to give us a new order of affairs in this country and solve all the ills known to our people.

Saskatchewan—

Cash contribution	$4,753,158 39
Subsidy	1,901,061 00
Net contribution	2,852,097 39
Population	757,510
Contribution per head of population	$3 76

Or one-eighth of one per cent of the total money required to carry on the government of this country.

Alberta—

Cash contribution	$6,757,816 30
Subsidy	1,651,536 60
Net contribution	5,106,279 70
Population	588,454
Contribution per head of population	$8 67¾

British Columbia—

Cash contribution	$26,420,460 93
Subsidy	738,816 66
Net contribution	25,681,644 27
Population	524,582
Contribution per head of population	$48 95½

I might say right here that British Columbia contributes more to the cash contribution support of this country than the three prairie provinces combined. The same ratio holds good as regards the postal revenue.

Mr. CAMPBELL: Will the hon. member not admit that a large portion of the taxes paid by Quebec and Ontario are passed on to the prairie provinces by being added to the prices of the manufactured goods they buy?

Mr. CHURCH: Not so. It would take me an hour to explain that. We are paying a large proportion of the taxes of the people of the west. Ontario pays $52.21 per capita while Saskatchewan pays $3.76, Alberta, $8.67¾, and Manitoba, $27.15. These figures were not prepared by me; they were prepared in answer to a return by the Bureau of Statistics after three months' work and they are bringing these figures up-to-date for the last fiscal year. The figures I have cited are for 1924.

We have heard a great deal about the exodus of our population, the export of raw material and power and how that great loss to the country is connected with unemployment. There is one feature of the export problem which has, so far as I have been able to find out, never been touched on in this House. I refer to the export of the brains of the country, and that is far more important than material things. One of the main things that helped Germany to become the great industrial power she was, was scientific research. The German student is a department of the state to-day, he is conscripted often in the summer time to work in the laboratories in order to help in developing the resources of the country. He thus earns a living while helping to develop the country. As a student of technical education he helps scientific research. Let us take for example a young student like Dr. Banting and think of all he did for humanity and civilization just by studying and working in a laboratory. He started in a very small way and he often met discouragement, as every poor student does. If we should take a leaf out of the book of Germany for a national policy in regard to our students and, instead of letting them in the summer time work at such menial jobs as cooks and waiters and in other poorly paid positions of that kind, we should secure some of them for four or five months to help in the development of our resources, and the carrying on of national research. We would thus be doing something to develop Canada for the benefit of future generations.

The hon. member for North Renfrew (Mr. Cotnam) the other day said that 3,600 students from the University of Toronto have in recent years gone to the United States. His figures are not doubted because the matter has been referred to during the past few months in a series of articles in the Toronto University Monthly by many graduates and others, including one by Professor Thomas Loudon, on university and other matters. It is pointed

out that in the departments of chemistry, electrical engineering and mechanical engineering of the School of Science, many young graduates and scientific men are going to the United States. It is all very well to lose raw material to the United States, but the greatest loss to Canada is the export of the brains of our youth. In the University of Johns Hopkins to-day there are such wonderful men as Dr. Thomas Cullen and Dr. Lwellwyns Barker, who are graduates of the University of Toronto. McGill, Queen's, Laval and other universities of the different provinces have similar graduates in the United States. The men at the head of the medical profession in many of the universities in the United States are Canadians who left here for that country and are to-day in prominent positions in their profession. What we need in this country is to do something in national scientific research and to show its necessity for safeguarding and expanding the industries of Canada, and for the development of the native industries and of the products of the sea, forest, soil and mine.

What is Canada doing? We are spending a lot of money, it is true, but very largely our efforts consist in nothing but talk and we are getting no results. The Right Hon. Stanley Baldwin, Prime Minister of Great Britain, recently declared that while science might not save industry in the Old Country it could act as a shock absorber to carry England through. The "shock absorber" he said, was such scientific development as would permit the gradual transfer of an industry from one phase of usefulness which was past to another era which was just dawning. In an address to the alumni of the University of Toronto Professor J. C. McLennan, of that body, recently made some striking remarks. I quote:

He recalled that the C.P.R. had placed orders for more coal burning locomotives and then he reminded his audience of the oil fuel car that had gone across the continent in 68 hours. "Are the locomotive works in this country putting in shock absorbers?" he asked.

A new type of gasoline which is just now being put on the market will revolutionize the type of motors being used in automobiles. The vast future in the use of nitrogen was also discussed. The whole industry had been revolutionized by new scientific discoveries. They were pressing hard on the Chilean nitrate industry, but he feared that Canadian farmers do not make as much use of artificial fertilizers as they should. They are content with 13 bushels of wheat an acre when they might be getting 40 bushels.

There was also a change ahead for the artificial ice industry forecast by the latest development of individual refrigerators using ammonia.

If business is not associated with scientific men then that business is going to the wall.

The National Research Council can keep industries and all associations informed of what is going on if they gather about it. It can show the time to draw in one business and expand on another. Any banker should know how the aspects of any industry are going to be affected by future scientific developments.

This shows us something of what can be done if only the government will institute proper inquiries into all these departments of our activities. Yesterday the Minister of the Interior (Mr. Stewart, Edmonton) made some reference to the diversion of water at Chicago, and here again the government is betraying an utter inability to cope with the situation. This is a most important matter for the lake towns and the ports on the Great Lakes. It has been estimated by the Hydro Electric Commission of Ontario that there has been an annual loss to Canada as a result of this diversion of water from the lakes of $35,000,000 a year and I am bound to say that I am not at all satisfied with mere protests on the part of the government. The Americans never pay any attention to such protests; they will continue to ignore them. This treaty was solemnly entered into between two nations, Great Britain and the United States, and Canada is not even a party to it. The International Deep Waterways Commission acts as intermediary between the two countries in the observance of the treaty, and in this connection I would point out, in reference to the question which was put by the hon. member for South Toronto (Mr. Geary) yesterday, that the Secretary for War in the United States has no power in the matter. He is a ministerial official, his position being analogous to that of the Minister of Public Works in this country. The harbours and the Great Lakes are under his control and all expenditures for public works are made under his direction. He is not mentioned in the treaty nor is Chicago a party to it. The amount of water to be taken from the lakes for given purposes is clearly set out in the treaty, so much for Canada and so much for the United States, and not only are they taking the allotted 10,000 feet in Chicago but they are now drawing off as much as 16,000 feet. And in addition to that they are securing from the Hydro Electric Commission of Ontario 10,000 or 12,000 feet on a contract which has still four or five years to run.

Now what I object to particularly in this matter is the fact that private citizens of this country are going to Washington and interviewing the President of the United States in regard to the treaty. I consider it a piece of impertinence for any private citizen of Canada or any private organization here to wait upon the United States authorities, going over the head of the British government, the Canadian government and the British

Embassy at Washington and ignoring the Canadian government without even making representations to the minister or government here. These deputations are interviewing the United States cabinet and are appearing before the Rivers and Harbours committee of congress and before the Senate, altogether to the prejudice of the whole case so far as Canada is concerned. The case for this country, not only in its legal aspect but from the standpoint of the facts in dispute, is being seriously prejudiced by these unauthorized and self-appointed ambassadors and it is high time that the government of Canada bestirred itself. Something more than weak protests is called for. I think this Dominion should appeal to the British government to bring the United States to time, and forward its bill to that country for the $35,000,000 damages per annum which it has lost during the past seven or eight years as a result of the diversion of water from the lakes and collect the same as reparations through the British government. That would represent some $300,000,000 which this country ought to receive in compensation for that loss, and I strongly urge upon this government that an effort be made without any delay to have the treaty strictly enforced through the British authorities. I repeat, the government of Canada should file its bill with the British government for damages sustained and should take steps to collect the money in the proper way. The diversion of water has been wholly illegal and it has resulted in serious injury to Canadian interests and reparation is due this country. The onus for the enforcement of the treaty rests on Great Britain and not on any individual in this country, and we can collect the money through the good offices of the British government, deducting the amount which the government of the Old Country is paying, $500,000 per day, to the United States as war debt.

As a humble citizen of this country I am very much concerned with the view which the people of the Old Country have of us as Canadians. They are asking where Canada stands in its relation to the British Empire. It was announced in a newspaper the other day that London feels that the Right Hon. Mr. Mackenzie King is playing a poor second to the United States isolation policy, and the statement has been made that Canada must sooner or later decide to live up to her responsibilities as a member of the British Commonwealth or declare herself independent of the royal navy. Now we have a Department of External Affairs in this country which costs the people of Canada about $100,000 yearly, and what that department does I confess I do not know. What, for example, has it done in connection with this very subject I have been discussing, the diversion of water at Chicago? And what action did it take the other day when a British ship was fired on a number of times by a ship bearing an American flag beyond the three mile limit? And there are American gunboats on the Great Lakes to-day often entering Canadian harbours also enforcing the revenue laws of the United States in the vicinity of Detroit in contravention of the Rush-Bagot Treaty of 1817 and 1842. Where is the Department of External Affairs when all these things are occurring? It seems that we also in this country are content to sponge upon the hard earnings of the British taxpayers for the maintenance of our maritime freedom, and we forget the plight that this country would have found itself in during the late war if a German fleet had sailed up the St. Lawrence or attacked Halifax or St. John. In such an event what would have happened to Halifax, St. John, Boston and New York? The British fleet to-day, Mr. Speaker, constitutes the real league of nations, while the League of Nations is only a debating society and the results are of little or no value. So far as Canada's contribution to maritime freedom is concerned, we have two toy ships. Where are those ships? Off the bay of Fundy? No; they are locked up in a garage in Halifax. Is that a self respecting policy for the people of Canada to be proud of, a people who did so much in the late war, in the darkest hours of the empire, in giving of its best blood to the defence of our liberties? Are we prepared to depend altogether upon the British fleet without contributing to its upkeep? We have not spent a cent for the purpose. I doubt whether Mr. Mackenzie King was ever authorized by his cabinet to take the stand which he is reported to have taken in regard to the Locarno treaty, and I think the papers should be brought down and the whole matter discussed. This country should follow the lead of Premier Bruce of Australia, and also of New Zealand, and shoulder its part of the burden of defending the empire, with a proper contribution to the British fleet. We talk about our nationalism, but we are not a nation; we are part and parcel of the British Empire. Why, all the toy navy we have consists, as I have said, of two small boats which are locked up in a garage at Halifax.

The British people are practical; the Canadian people are not. The British House of Commons met at noon, and the Address was adopted the following day at six o'clock. If

this government had been prepared the first day of the session to bring down its programme and introduce its bills the Conservative party would have been ready to discuss those measures. The leader of the government should have followed the excellent example set by Premier Ferguson in the Ontario legislature. In the opening days of the session he brought down ten or twelve of his most important measures and they were given a first reading without delay. If this government had adopted a similarly businesslike course, in my opinion this debate would not have lasted very long.

In the session of 1922 I introduced a resolution for the adoption of a national coal policy, so that every pound of coal used by Canada would be mined and coked under the British flag. At the time I was laughed at by certain hon. members and by some of our newspapers for what they termed the ridiculous policy of attempting to displace Pennsylvania coal in the central provinces. But I have lived to see my policy endorsed by the country. Our people now realize that the American mine owners could freeze us out in one winter. I was surprised to hear my hon. friend from Moose Jaw (Mr. Ross) say last night that he does not burn Alberta coal but likes Pennsylvania. Well, Toronto wants to burn Alberta coal. The House may be interested to learn that yesterday, as early as from eight o'clock on in the morning, over five hundred people lined up in the city hall, Toronto, to place orders for Alberta coal. All the available supply was soon exhausted.

Mr. McLEAN (Melfort): Will the hon. member tell the House why it is the people of Toronto cannot get more Alberta coal if our railways are still running?

Mr. CHURCH: I cannot. The hon. gentleman from Melfort will have plenty of opportunity after I sit down to develop his ideas on the subject. So far as I am concerned, this national fuel policy is not going to be laughed out of court by Sir Henry Thornton or anybody else. Sir Henry Thornton's banquet jests on the feasibility of our establishing a national fuel policy may be received as gems of wisdom by his admirers, but they are not so regarded by our serious-thinking, half-employed, soft-coal-burning citizens. It seems to me he might have given the matter more thought. He may think that some of us are seeing visions and dreaming dreams when we say that eventually the eighty million dollars that is paid annually by Canada to purchase coal in Pennsylvania will be kept in Canada and divided forty million dollars to Nova Scotia and forty million to Alberta; we do not share his skepticism.

In my opinion coal should be carried on the same preferential rates that are granted grain and flour, and I confidently believe the time is coming when this will be the case. Coal is one of our most important native industries. Unfortunately to-day, by reason of the industrial equilibrium having been disturbed by the war, our coal industry is not in the flourishing condition it should be. Four sessions ago I urged that subsidies and bonuses should be given to the Alberta and Nova Scotia mine owners, but the Prime Minister moved to strike those words out of my motion. What happened three months afterwards? The Minister of Finance brought down a proposal to grant a subvention of two hundred thousand dollars subsidy and bonuses to assist the Alberta and Maritime coal industry, thereby accepting the principle of bonuses and subsidies. In this connection it is interesting to recall what Right Hon. Stanley Baldwin, the British Prime Minister, has done for the coal industry of the Mother country. Six months ago he was faced with the spectre of a social revolution. To save England from this horror he put through the British House of Commons a bill granting the coal industry subsidies which, according to a recent statement by the Chancellor of the Exchequer, have already involved an expenditure per annum of $210,000,000. But the people of Great Britain consider this is not too much to save a native industry. Would it not be far better for us to adopt the British policy and so put this important Canadian industry on its feet, and at the same time make ourselves independent of the United States for our fuel supply? It would be well to do this even if the Canadian National Railways should lose a few dollars here and a few dollars there. Later a profit would ensue.

In my view it is just as necessary to use the tariff weapon to protect our industries from unfair, unjust and inequitable foreign competition as it is to call out the militia when the country is threatened with invasion from a foreign foe. In a word, we should have a national policy in peace as well as in war. We should protect our industries —agricultural, manufacturing and mining—and we should also protect our workmen from all evil effects of dumping. Consequently I do not want to see this national policy laughed out of court by Sir Henry Thornton. I should like to know if the Canadian National system belongs to the people of Canada, or to Sir Henry Thornton. Should it not be used to develop our sparsely populated Dominion?

Or is it considered more important that it should be run solely for profit to satisfy the ambition of its president? Is present profit its sole aim? Or is not the development of our vast Dominion its sole object? Let me ask the House, was the Canadian National system taken over by the nation to bring about economic annexation to the United States? Or rather was not the initial objective to seek a means for distributing necessities and providing transportation to encourage an ever-increasing and contented people? We must realize that a country known to possess a real winter for fully one-half of the year cannot expect to grow if the statement is once noised abroad, and is based on fact, that no reliable source of fuel is assured its settlers. In short, Sir, if a country does not grow can its revenue be expected to increase?

So I say, Mr. Speaker, that the time has come to put an end to all these banquets, and to get down to business and solve this question in the manner I have indicated, by bonuses and subsidies and utilizing the national railway. In war time the railways were mobilized to defend our land; why cannot we use the railways in times of peace to help solve the problems of the west and of the Maritime provinces. Sir Henry Thornton's last banquet jests may be received as bits of wisdom by his admirers, but by the serious-thinking, half-employed, soft-coal-burning citizens of Toronto, his jests are viewed differently. The light, shallow consideration given by him to a great national industry and necessity plainly reveals the small extent of his vision.

Would any business man make money unless he first invested his capital, unless his capital was first of all seemingly lost? Could there be a harvest unless the seed was first buried, and apparently temporarily lost? Could a man have energy for work and toil for profit unless he "loses" the time for rest and the cost of other necessities? Even if a great national railway does not show a sufficient profit for the first year or two to banquet all and sundry every few days, and laud its president as a great financial wizard, would not the added indirect industry and development of a great country bring returns in the near future, some ten, some twenty, and some a hundredfold?

The time has come for the government of Canada to go into this matter. The government have already adopted a coal policy. They accepted my national coal motion subject to an amendment, and the government were beaten on their amendment by a vote of 82 to 81. But what have they done since? Have they worked out a coal policy? No. Why should Ontario have to pay a cent to bring coal from Alberta? Ontario is paying enough taxes now, 46 cents per head of population. Why should Alberta have to pay for sending its coal down here? Have not preferential rates already been accorded the west on grain and flour? That is a very important industry, I admit, but why should not another Canadian industry, the coal industry, receive the same treatment? The people in the central provinces of Canada are looking for the government to do something to save them from the extortion of the coal barons of the United States. In my constituency in Toronto, Earlscourt, which is a soldiers' constituency, there are twenty-two widows of returned soldiers in one block. They are mostly poor people; their pension does not maintain them, and many of them have to work for their living. When the people who are poor come to buy coal, some of them have to buy it in bagsful, and they have to buy this American rubbish, full of dust and stone, at the rate of $20 a ton when they buy it by the bagful. It is pure robbery and extortion. Where is this celebrated Combines Act that Mr. Murdock introduced some years ago? What has become of it? Who is Minister of Combines in this country to-day? Hon. gentlemen opposite said in the election of 1921 that the Conservative party was the party that represented the big interests in this country. The Conservative party does not represent the big interests. We represent no big interests. Some of us have suffered in the battle against the big interests, and are prepared to suffer again. It is time, Mr. Speaker, for the government to bestir themselves. Instead of the Minister of the Interior (Mr. Stewart) rising in his place every day on the orders of the day and giving an answer which is not an answer at all, let him get after these Yankee extortioners who are charging $20 a ton for a lot of American rubbish that yields $7 and $8 a ton to the American millionaires over in the United States. It is time the people of Canada went on a strike against buying Pennsylvania coal, but some of our National railway officials in this country are apparently prepared to go on buying Pennsylvania coal, enriching the coal barons of the United States, and giving traffic to the Pennsylvania Railway, and they do not care a rap for Alberta and Nova Scotia. Who is the responsible minister of the crown who will bring in a bill of indictment against these coal barons and take action against this extortion in the sale of coal. Down in New Jersey they have appointed a coal commission to secure and regulate a coal supply and to supply coal to consumers at a reasonable price. It is time Canada did something like

that, but I have very little confidence in the president of the National Railways or the railway commission doing anything to solve this problem. It is time the government worked out a coal policy through a commission, and then we would get some results.

I wish to say a few words on immigration, because this is one of the great problems of Canada to-day. We are supposed to be launching on a great immigration policy, but, Mr. Speaker, we have no Minister of Immigration in this country. Our annual estimates amount to $346,000,000, and of this amount only $2,500,000 is spent on immigration, and only a little more than we spent thirty years ago. Everybody is asking what is the matter with Canada? Canada was first in the Diamond Jubilee procession, but what has happened since? Australia is worsting Canada now and is doing window dressing in the matter of immigration, and Australia and New Zealand are getting the cream of the immigration from the British Isles to-day. Immigration is one of our big problems, and yet we are spending on it only two and a half million dollars. I contend that with one million and a quarter men out of work in the Old Country, the first thing we should do is to stop the exodus from this country to the United States, and then get back as many of the men who have left us as we can. We can help to do this by developing our raw materials, and manufacturing them in this country. There is no use in a lot of members of the Canadian Manufacturers Association meeting in the city of Winnipeg and urging that we spend $50,000,000 on immigration unless we first have a business-like plan and put it in charge of a business man. Without a plan for immigration you might as well throw the money you are going to spend into the waste paper basket. There are in the United States to-day 100,000 men of the Canadian Expeditionary Force who fought the battles of this country. They had to leave Canada—Toronto, Hamilton, London, Brockville, Belleville and many other cities—and go to the United States because they could not get employment in this country. Whoever heard of the Grand Army of the Republic in the country to the south having to leave the United States to look for a job? The Grand Army of the Republic ruled the United States for fifty years after the Civil War, and presidents, state governors, and all the high officers in all the states were chosen from the Grand Army. No, Mr. Speaker, they did not have to leave their country to look for work, but 100,000 of the men who fought our battles have had to leave this country in search of employment across the line. We must repatriate these men; that must be part of our immigration policy. Secondly, let us close our doors and stop any further exodus and get back our men. Let us provide work for the people of this country by developing our raw materials. Over $7,000,000 worth of asbestos, for instance, is taken out of the bowels of the earth in Quebec, and manufactured in the United States into finished products worth over $70,000,000. We ship this asbestos from our country, a large part of it in the crude state and some of it in a semi-crude state, to be manufactured in the United States, building up their big cities in Indiana, New York, and other large cities in New Jersey and Michigan. As I pointed out last session, we export thirty-six minerals to the United States to be refined there and give employment to United States workmen. The first thing we must do is to inaugurate a proper national policy for the development of our raw materials, to provide work for the people in this country; next, bring back as many Canadians as we can who have left this country to get work in the United States; thirdly, let us stop the exodus from this country, and when we have done these things, Mr. Speaker, let us launch upon a great immigration scheme in the Old Country. There is no overseas dominion that should not help in giving employment to these men who are out of work in the Old Country, our own kith and kin, when work can be provided for them if we would only develop our own raw materials, and, Mr. Speaker, I would point out that it is under the free trade policy which hon. gentlemen to my left advocate that these men are out of work in the Old Country to-day, with many of them taking the dole, unemployment insurance, and all that. There is no oversea dominion that should not become the land of opportunity for the people of the Old Country, our own people. For unless the British Empire redistributes its population we are done as an empire.

9 p.m.

We have never had a proper immigration policy in this country. It may be asked, "What is wrong?" I will tell you what is wrong. We are not getting value for our money from the present Department of Immigration. An intending emigrant gets in touch with an agent, and communications are exchanged with the department at Ottawa, but from six to nine months elapse before there is a definite reply from this country. In the meantime the farmer, if such he be,

[Mr. Church.]

has given up his lease and got in touch with an agent representing the Australian government, and he goes to that country. It is the Australian commonwealth which is getting the cream of the business and is receiving the tide of emigration to-day. What did a British minister say to the British House of Commons the other day? He predicted that Australia, which has a population according to the last census of 6,000,000 souls, will in the next ten or fifteen years increase its population to from ten to twelve millions of people. But Australia has closed the door to indiscriminate immigration. The Commonwealth of Australia is going to be a white man's country, and by its restrictions in that respect is taking a leaf out of the book of the United States. In the country to the south of us when it was revealed in a census that only 48 per cent of the population were of Anglo-Saxon birth they decided that they would close the door to all except selected immigrants. Australia is going to do the same, and the Australian government are going to see to it that the white race shall rule over there. Right Hon. Mr. Bruce is following the example of the United States, and enforcing the policy of selected immigration.

In this connection I wish to refer to the importance to the Maritime provinces of the right kind of immigration policy. Let me say that the natural market for many of the products of Nova Scotia and New Brunswick is the British Isles—everybody knows that. Continentalists may argue that the proper market for this country lies on this continent, but I maintain that it will be infinitely better for the people of the Maritime provinces to sell their products to Great Britain. The products of the fisheries of Nova Scotia and New Brunswick should be carried on British vessels to the British market by a fast freight service. The two provinces named, as well as the rest of the Canadian provinces, suffer from inadequate representation in the emigration offices in London. The High Commissioner for Canada is carrying out the same policy as in the past, but the whole system at present in operation in London is wrong and has always been wrong. The position of high commissioner should not be simply one of a semi-diplomatic or social character. The high commissionership should be regarded in a very large degree from a business point of view, it should be a business position, and the high commissioner should act in friendly co-operation with the representatives of the several provinces. The office which he fills should not be a sort of gilded ornament, set apart from that of the agents general of the nine provinces in isolated and lonely splendour. All should work together loyally and unitedly. The money now spent by the Dominion on immigration should be distributed to better advantage and payment made by results, and the onus of getting these results should be placed upon the provinces. Such results could best be secured by appealing to the people in Great Britain likely to be attracted by the special conditions existing either in Nova Scotia, New Brunswick, portions of Quebec and Ontario, and parts of British Columbia. There are special districts in some of these provinces which are likely to appeal to certain British people accustomed to certain climatic conditions and possessing a certain amount of capital. The people to whom I have reference may not be wealthy, but many are fairly well off. They are looking for future homes in a climate and amid surroundings somewhat similar to those which they enjoy in the Old Land. I am told that thousands of families moderately well off, fond of living near the sea, would gladly settle in Nova Scotia and New Brunswick if the charms of these provinces were properly represented to them. The policy which I am advocating, in my opinion, can be so applied as to bring great prosperity to Nova Scotia and New Brunswick. It would be equally advantageous to other provinces in the Dominion.

I believe the principles of protection can be so worked out under a true national policy as to cause the life blood to flow with renewed vigour through the heart of the Dominion. If the Dominion be built on the great principles of protection and our motto be, "Each for all and all for each" nothing can stop our advance with great strides along the path of prosperity. The question of immigration is to be discussed later on in the session when I shall have something more to say. There has been a lot of bad advertising in the Old Country which has done us no good. I have in my hand a clipping from the Herald of London, dated January 23, 1926, which makes serious statements with respect to Canada, charging broken promises and making other complaints. I have other clippings of a similar tenor from other papers. I shall not read them, but will content myself by handing them to the Minister of Immigration.

I was sent here to fight for protection. I am not here to try to argue protection out as a question of percentages. I am here to contend earnestly for the faith once delivered

to the saints in truths of the good old national policy. I believe that the truths of protection and these truths alone, point the way to salvation for all the people and provinces of this country. I want to say a word about a national policy for automobiles. Conditions in Canada at the present time are enough to make a Canadian disown his country. Will this state of affairs never stop? Is it not possible to create, keep and maintain an industry of any kind in this Dominion? I am afraid we are becoming the five, ten and fifteen cent country of the world. I believe that the protection of a customs tariff should compel the manufacture of automobiles in this country. Canadian automobile plants should be something more than places where American-made parts are assembled in a so-called Canadian-made automobile. I have looked over the records of the Bureau of Statistics and I find that the value of the American automobile parts imported into Canada in the last year of record was $20,000,000; the wages paid to American workers who made these parts on the value of the imported products, I have figured out by a mathematical calculation as $6,000,000. This total would have provided work and wages for 4,000 Canadians at a wage rate of $30 per week. I believe that protection is not a question of percentages.

I have already said I was not here to discuss percentages but the principles of the protective system. I believe that in the case of the motor industry principles of protection should be so applied as to make that industry thoroughly Canadian. The principles of protection, properly applied, would enable the Canadian manufacturer to have the Canadian market to himself. They would compel the Canadian manufacturer to meet the demand of the Canadian market with automobiles made in Canada from A to Z, from Genesis to Revelations. There were sold in Canada in the last year of record automobiles manufactured in the United States to the amount of $15,000,000. If the Canadian automobile industry was really a Canadian industry, and not an American owned, and largely American operated industry, this country would have a supply of Canadian made motors for use at home and for export abroad as good as any in the world. Canadians now spend $71,000,000 in the purchase of motors cars. I get this report from the Bureau of Statistics. It also shows that the value of imports of automobiles into Canada from the United States in the calendar year 1925 was $13,000,000, and of auto parts $20,000,000. In this connection I would like to put ten or twelve lines of figures on Hansard. The figures are:

Year	Number	Wages
1923..	318,098	$579,002,686
1924..	329,563	547,215,700

The estimated number of parts and accessory factory workers in 1924 was 300,000. The annual production of motor vehicles in the United States, including production of plants, located in Canada, making motor vehicles of United States design, was as follows:

Year	Number	Wholesale Value
1923..	3,694,237	$2,276,399,270
1924..	3,243,285	2,011,038,288

The production of motor cars in Canada in 1924 was valued at $88,480,418, and the exports of motor cars from Canada to all countries in 1924 amounted to $26,509,393. Canada's total imports of motor cars in that year amounted to $9,641,309. By adding together production and imports and subtracting exports we arrive at an estimate of apparent consumption, which is the nearest figure to sales that is available. By a calculation of this kind it will be found that the apparent consumption of motor cars in Canada in 1924 amounted to $71,612,334. This matter has been referred to by the hon member for Halton (Mr. Anderson) whom I do not see present. He came out for lowering the duties on automobiles, and the hon. member for Toronto West Centre also refers to it in the Orange Sentinel. I had better give the words used by the hon. member for Halton in this House in the session of 1923. At page 2841 of Hansard of May 17 of that year the hon. member said:

> As I have previously stated, I am not a high protectionist, and I think there are some industries in this country which possibly are too highly protected. One of these, I think, is the automobile industry. This industry is making rapid strides in Canada and in the last year this country, a country of nine million people, exported half as many automobiles as did the United States, with a population of 110,000,000.

The hon. member for Toronto West Centre said in an editorial in the Orange Sentinel headed, "Reduce the Duty on Motors":

> Whatever else may be done with the customs tariff at the next session of parliament, there should be a substantial reduction in the duty on motor cars. It is clear from the prices quoted in the United States and Canada that the Canadian manufacturers are charging "all the traffic will stand." The duty of 35 per cent is more than protection. It is in part a government subsidy to the makers of automobiles.

As long as the motor car was purely a luxury that only the rich could enjoy, there was not much reason for complaint. But the motor car has become a necessity in business and professional life, and those who are thus compelled to buy one should not be forced to pay excessive profits to the manufacturers. A certain type of car that sells in the United States at $1,875, costs $3,100 in Canada. That is altogether too wide a spread, and is not warranted by any factor in the trade. The American makers have larger production, it is true, but they pay higher wages, and there is no reason why their raw materials, are any cheaper. The makers of motor cars in Canada are soaking the public unduly, and it is the duty of the government to lower the tariff, and in that way inject a little competition of American firms that will bring down the prices.

Then the Textile Journal says:

We presume manufacturers in every line—with the possible exception of the automobiles, in which we think there is an exorbitant protection, are suffering along the same lines.

These automobile manufacturers do not know any politics. The automobile is their politics. In 1921 a great many went over holus bolus to the Mackenzie King government, and a great many gentlemen want to swing over to our side now. They swing over like a pendulum on a change of government. But I predict that the automobile industry, like the coal industry, will become a native industry, with the resources we have in this country. We will make the parts and put into the motor car every article that is used—iron wood, glass and everything else. We will make all the materials used in the manufacture of automobiles and motor trucks. We should have a national policy which would raise up a tariff against the United States so as to require every car and motor truck to be manufactured in all its parts in Canada, and thus give employment to thousands of men.

With regard to this particular industry there was a division in this House on the question and some hon. members on this side voted to reduce the tariff, namely the hon. member for York Sunbury (Mr. Hanson) the hon. member for Kingston City (Mr. Ross) and the hon. member for South Oxford (Mr. Sutherland), the hon. member for Royal (Mr. Jones); the then hon. member for St. John and Albert, Mr. Baxter, and others. I voted against the resolution to lower the tariff, because I did not believe that that was the solution. I believe the motor car industry should be a Canadian industry and we should have such a tariff as would cause every car and motor truck sold in Canada to be manufactured in our own country. Canada has become a great exporting country for automobiles, as the following table of exports will show:

The United Kingdom	$5,575,000
East Africa	135,000
South Africa	2,480,000
British India	2,043,000
Ceylon	231,000
Straits Settlements	478,000
Australia	6,115,000
New Zealand	4,680,000
Argentine Republic	1,413,000
Belgium	201,000
China	135,000
Cuba	89,000
Japan	227,000
Mexico	153,000
Netherlands	240,000
Dutch East Indies	676,000
Spain	153,000
Sweden	545,000
Uruguay	174,000
Venezuela	70,000

Total exports of automobiles were $27,246,000. Motor trucks were exported to a total value of $5,496,000. In addition we exported automobile parts valued at $4,162,000. We can very readily establish this industry in Canada. If we have such a large export trade in automobiles we can make the industry a key industry in Canada. I picked up a pamphlet of the Department of Trade and Commerce yesterday, and it says that the Canadian automobile is getting a great market in the West Indies and also in other parts of the world. By protection you can compel the United States people to have the parts made in Canada instead of in the United States, and the profits would thus come to Canada. The Canadian manufacturer has a preference over his competitors in Great Britain and other British countries. We can readily solve that problem if the government will do its duty. The profits paid by American companies are exorbitant. Look at the Ford Company and see the profits which they made. A committee on agricultural relations was appointed by this House in 1924 and evidence was taken before it which showed the profits made by that company. According to the evidence submitted at that time, page 981 of the proceedings of that committee, the Ford Company of Canada was formed in 1903 with a nominal capital of $125,000, of which $62,000 was paid up in cash. The balance of the stock was issued, I think, to Mr. Ford and his associates for their patent rights on the Ford car. At page 997 an official of the company says that no fresh money was subsequently taken in as capital, that the increased capital all came from earnings. The capital at that time was $7,000,000; cash dividends paid were $10,000,000; surplus and present worth, $12,500,000. That means that $29,500,000 had grown up from the original

investment of $125,000. In a recent issue of the Financial Post of Toronto an item regarding the Ford Company of Canada says:

During the past week Ford of Canada sold at 498 at New York and there has been a bid of 500 with no stock offering on the Toronto exchange. This is a new high for these shares. Last January and again in March they reached 485, but have been down around 450 since then, the last sale being at 450 on Nov. 6. No reason is advanced for the activity in the shares unless it is expectation in the way of melon splitting. Shareholders have not been overburdened with dividends of late years, the company having paid but 10 per cent in 1924 and a similar amount in 1923. Earnings justified a greater payment. In 1923 they were $5,106,197 and 1924, $3,719,187, while the 10 per-cent dividend took $700,000 each year. Surplus to-day stands at $19,609,861. It is interesting to review the dividend position of the shares since the company was organized in 1906 with $125,000 capitalization, reorganized 1911, $1,000,000 capital and again 1916, $10,000,000 capital, $7,000,000 issued.

Some melon,—to raise the capital from $1,000,000 to $7,000,000 at one issue. Talk about keeping the farmer on the farm; how are you going to do that unless you give him good roads, radials, motor cars and so on? It should be noted that there is an excise duty of 5 per cent on motor cars in the United States, and when our customs officials collect the 35 per cent duty on imported cars they add 5 per cent excise tax to the sale price in the United States and use that as the value for duty purposes. This in reality makes the duty approximately 37 per cent of the price in the United States. There is in Canada in addition a sales tax of 5 per cent based on the duty paid value of the car and an excise tax of 5 per cent on the duty paid value up to $1,200 and 10 per cent upon any value in excess of $1,200. Take the case of a car which costs $985 in the United States; when the duty sales tax and excise taxes which I have described are added, the cost of the car in Canada becomes $1,487.66. That same car is priced at $1,506 in the city of Toronto; the difference, I presume, would be the freight Detroit to Toronto. That, I may say, has reference to a car that is to-day being assembled in Canada. If the individual purchases the car in the United States he has to pay that 5 per cent excise tax before he gets it from the dealer, and a $985 car with that 5 per cent excise tax in the United States added would cost $1,545.27 by the time he landed it in Canada.

I would like to give the prices of automobiles in the United States as compared with the prices in Canada:

[Mr. Church.]

	United States Price	Canadian Price	Percentage Increase
Ford touring car..	$ 375	$ 520	38.6
Ford Tudor sedan..	580	755	....
Ford Fordor sedan..	660	895	....
Extra for full balloon tires.	25	50	....
Chevrolet touring car.. ..	525	730	....
Chevrolet coach..	735	1,015	38
Essex coach..	895	1,225	37
Maxwell sedan..	1,095	1,535	40
Chrysler sedan..	2,170	3,025	40
McLaughlin-Buick coach.. .	1,295	1,820	41
Oldsmobile coach..	1,075	1,495	39
Oakland coach..	1,215	1,695	39
Hudson coach..	1,345	1,840	37
Overland touring car.. .. .	495	710	40

Canadian prices are from 37 per cent to 41 per cent higher than United States prices.

Talk about these dividends; the stock of the Ford Company from 1905 has been nothing but a gold mine. They have paid dividends as follows:

Dividend Payments

	Per cent	Amount
1905	6	7,488
1908	10	12,500
1909	25	31,250
1910	100	125,000
1911	100	125,000
1912	500 (stock)	625,000
1913	20	150,000
1913	33 1-3 (stock)	250,000
1914	10	100,000
1915	110	1,100,000
1916	600 (stock)	6,000,000
1917	5	350,000
1918	5	350,000
1919	35	2,450,000
1920	15	1,050,000
1921	30	2,100,000
1922	30	2,100,000
1923	10	700,000
1924	10	700,000

The total cash dividends to date have been $11,451,000 and to the total stock dividends $6,875,000, a total of $18,326,238. Capital stock is now $7,000,000. At $500 per share—that is this article says the price—the capital stock would be worth $35,000,000. The investment of $125,000 the company has paid in cash dividends $11,451,238 and their capital stock is now worth on the market $35,000,000. In other words, if a man had invested $1,000 in stock of the Ford Company on the formation of the company he would have drawn in cash dividends $90,000; his stock at the present market price would be worth $280,000, making a total of $370,000 from an investment of $1,000. I do not wish to say much about this industry because there may be another opportunity of discussing it. I predict that we will make this a native industry and apply the national policy to it, with resulting benefit to the farmer as well as to the artisan in the cities and towns.

I am going to conclude with a few words about the railway situation in this country. The situation is not altogether an inviting one. If hon. members will look at the last blue book signed by Mr. Graham Bell, Deputy Minister of Railways and Canals, pages 8 and 9, they will find a statement of the system from a financial standpoint. I am a public-ownership man and I do not think anybody ever doubted where I stood in that regard. I will read just three paragraphs of this statement in order to show the financial position of this particular company as regards its capital and to show that some adjustment must be made of these conditions if the system is to be placed on its feet:

Financial Reorganization

In his commentary on the year's operations, Sir Henry Thornton, president and chairman of the National Railway board, again refers to the all-important question of capitalization, and reports that active consideration is being given to the policy to be followed in connection therewith "and the extent to which, if at all, advances made and capital held by the government should be written down to a figure commensurate with the earning prospects of the property." The president and chairman adds that the problem is proving both difficult and complicated, but it is hoped shortly to be able to present to the proper authorities a consistent scheme for consideration.

This question of financial reorganization of the Canadian National system is one of the most pressing problems that to-day confront the management and the government. The greater part of the Canadian National mileage was formerly privately owned. Due to over-expansion and to conditions due to the war, these railways found it impossible to carry on and were taken over by the government. Had the railways been obliged to liquidate their affairs, readjustment of capital charges would have taken place at that point. Less drastic methods resulted in the transfer of these railway properties to the government of Canada, and with them the heavy capital charges which private ownership had found it impossible to carry.

The next paragraph in the report refers to the funded debt of the National railways. One-half of this funded debt consists of guarantees and loans by the government of Canada and the other half is money lent by private people. The part advanced by the government does not pay dividends; it is a frozen asset. The other part does pay dividends. I want hon. members to listen to these two paragraphs because they constitute the whole key of the transportation problem as affecting the National Railways:

The Funded Debt

The long-term funded debt of the Canadian National Railways is given in the balance sheet as $2,056,181,517.70. Of this sum $913,913,082 was supplied by the investing public, and two-thirds of this debt due the public is guaranteed by the Dominion, of which it is, therefore, a contingent liability.

Forming part of the long-term funded debt are advances totalling $560,397,957.64 by the Dominion government to railways now included in the National system. On this immense sum interest amounting to $130,157,922.28 has accrued. This the railways have not been able to pay, and accrued interest has been added to principal, though in such cases it is not compounded. Thus the total advances, including interest, now amounting to $690,555,949.92, as indicated in the balance sheet.

Included in the $2,056,181,517.70 given as the sum of its long-term funded debt in the balance sheet is an item of $451,712,484.98, which represents the amount Canada has spent in the construction, maintenance and operation of former Canadian Government railways, such as the Intercolonial, the Prince Edward Island railway, eastern branch lines and the Transcontinental, the eastern division of the projected Grand Trunk Pacific. It has not been the practice to reckon interest on these advances to the original Canadian Government railways, so that the item referred to is exclusive of interest. The inclusion of these advances on appropriation account, Canadian Government Railways, among the liabilities of the Canadian National lines is entirely a bookkeeping requirement rendered necessary by the fact that a corresponding item is included among the investments in road and equipment on the asset side of the ledger. It is well, however, to point out that this item of $451,712,484.98 is not a liability of the Canadian National railways, though it is money which the Dominion has put into railways apart altogether from the properties taken over by reason of the failure of private ownership.

Interest Charges

The question of interest has been referred to. Owing to the varying practices in the financial operations of the respective systems which make up the Canadian National lines, this question of interest of itself presents difficulties when the possibility of uniform financial practice is being considered. As already stated, no interest is reckoned on appropriations to former Canadian Government railways, for the construction of which there were no public borrowings. Nor is interest accrued on the amount due the government for unpaid interest on loans and advances, which amounted to $130,157,992.28 on December 31, 1924. The above sum represents simple interest on the $560,397,957.64 advanced by the government to former privately-owned roads. In 1924 alone the accrued interest on this account amounted to $31,271,043. Five years ago the corresponding item was $14,346,831.69.

Interest due the public cannot be deferred as is interest due the government.

You cannot defer interest due to the public in the way you can stand the government off and compound the interest. You have to pay the investing public interest on their investment.

If not earned it must be borrowed; and, if borrowed from the public, interest on such amount is compounding from year to year. Last year (1924) fixed charges due the public amounted to $38,361,704.14; for 1920 the corresponding item was $31,055,318.28. Interest charges due the government and the public combined, which amounted to $45,402,149.97 in 1920, had grown to $69,632,747.14 in 1924. Including the Central Vermont, the total interest charges last year were $70,759,016.23. The rapid growth of interest charges emphasizes the importance of the examination of the capital structure of the Canadian National railways to which Sir Henry Thornton has referred.

I read those remarks for one reason only: They show the capital invested in the National railway system is over $2,000,000,000, two-thirds of which is principal and interest

compounded which has not been paid and which is owed and guaranteed by the government of Canada and the other one-third due the investing public which has to be met. I want to point out to those who operate the National railways that I do not believe that the two railways should be combined because that is exactly what the late Lord Shaughnessy wanted. Co-ordination is nothing but combining the National system with the Canadian Pacific and that is exactly what the Canadian Pacific wants, because I read the address in 1922 of Lord Shaughnessy to his directors.

I say that the time has come when a stop should be placed on Sir Henry Thornton and his board so that they cannot continue spending millions of dollars of the taxpayers' money without the sanction and authority of the high court of parliament. We had Sir Henry Thornton purchasing the Scribe hotel in Paris with funds advanced by the directors without the consent of parliament, and we had an example given by the hon. member for West York (Sir Henry Drayton) and the hon. member for South Toronto (Mr. Geary) in regard to constructing the Rouyn railway in Quebec outside of the authority of the general Railway Act and over the head of the railway commission and parliament. Who is Sir Henry Thornton, head of the National Railways? Is he above the parliament of Canada? What function does he perform in the government of Canada? I thought the government of Canada, under the British North America Act, consisted of the Governor General, representing the King, and two houses of parliament, known as the Senate and the House of Commons. But apparently we have now four chambers in this country: The Governor General, the Senate, the House of Commons and the House of Sir Henry Thornton. He has taken the place of the press, who are supposed to be the fourth estate. The time has come to restore responsible government in this country. We have a railway commission which is supposed to be over all the railways in Canada. This parliament in 1917 appointed three gentlemen to make a survey of all the Canadian railways and to advise what should be done in connection with the millions of dollars spent by the people of this country in railway construction. They consisted of Mr. Acworth, general manager of the Great Western railway in the Old Country, who died last year; Mr. A. H. Smith, president of the New York Central, and the very able chairman of the railway commission of that year, an expert on railway matters, now the hon. member for West York (Sir Henry Drayton). They were appointed as experts to make a survey of the railway systems of this country and to try to co-ordinate them and to reduce the debt. What happened? They made a report to this parliament and the report was adopted. What was the key recommendation they made? That they should call in all the paper charters throughout Canada and start all over again, and that no charter should be issued or granted by the Railway committee of this House until it had first been reported upon by the railway commission.

Was that course followed in the case of the Rouyn railway? There is no doubt a railway there was necessary, but that is not the point. We are not objecting to the railway; the railway was not a luxury, but a necessity. We have an able premier in Quebec who is capable of taking care of the development of the resources of that province. I have nothing to say about that point at all; what I am criticizing to-night is the power of Sir Henry Thornton to take upon himself to create a dummy company because that is all it is. Every lawyer knows what is called a dummy company and what is meant by dummy directors. What I want to find out is where the railway commission of this country was when all this was going on. Where were the plans of the railway? What is the railway committee of this House for? That committee met last year for the consideration of various branch line bills which were referred to it and it sat for weeks, so that the government had all the time they wanted in which to bring this bill before the committee. But no; the money has been spent by Sir Henry Thornton over the head of parliament. With Sir Henry Thornton necessity seems to know no law and no one knows where he will stop. Just contrast the Canadian Pacific Railway with the Canadian National. Last year the Canadian Pacific went behind $13,500,000 in receipts while on the other side of the ledger they effected economies in operation to the extent of $14,000,000 so that they were able to pay dividends to their shareholders. And what did the Canadian National Railways do? They spent about $112,000,000 in new capital while they went behind many millions of dollars. It is true that they have figured out a surplus of some $30,000,000 but if you take into account all the fixed charges as set out in the report of the Deputy Minister of Railways, which I hope all hon. members will take the trouble to read, you will find that the situation is by no means so optimistic as that. After making allowance for interest compounded on all the frozen assets you will find that there is no surplus at all.

I remember that when first I became interested in politics, when I was speaking for a member running for the Ontario legislature in one of the ridings of Middlesex, the then provincial premier, Hon. G. W. Ross, claimed that Ontario had a surplus, and the main issue in the election was that surplus. I was in the parliament buildings one day after addressing the people of Middlesex and Mr. Ross said to me, "Never mind talking about the surplus; come to the building and I will show you the surplus in the safe." Well, I went in order to get this tangible proof; I wanted to see the gold in the safe. He said, "Never mind the surplus now. You are a doubting Thomas. Have a cigar and forget it." I think it is pretty much the same in regard to this surplus which is claimed in connection with the National railways. If I had my way, so far as these branch lines are concerned, I would build them on the principle of the Progressive free trade law of supply and demand. I would want to know first whether the particular road was necessary and where the receipts would come from and I would let the law of supply and demand take its course. And that is the way I would build the Hudson Bay railway. That is purely a provincial railway and it should be constructed by the provinces themselves. Ontario had to build the Temiskaming railway and the proposed road to James bay and the western provinces should also build their own roads. Why does not the government follow the advice of the commission which was appointed in 1917? We have the benefit of the advice of the British and American experts who have assured us that we should catch up with our railway arrears before going ahead building new branch lines, but Sir Henry Thornton does not seem inclined to follow this advice. If he were left alone he would build a branch line to the North Pole. We had anywhere from ten to twenty bills brought down last year for branch lines, many of them purely provincial in their nature. What is the Guysborough railway in Nova Scotia if it is not a provincial road? And who by the greatest stretch of imagination can regard the Hudson Bay railway as an undertaking for the general advantage of Canada? But Sir Henry Thornton is in favour of the Hudson Bay railway and of the Guysborough railway and of other branch lines that are purely provincial. And why not? Sir Henry talks about politicians. Well, it seems to me that if he were less of a politician and more of a railway man and an economist this country would get greater results from the National railways. I am opposed to the policy of the government in regard to the building of the Rouyn railway. I believe that parliament should have voted the money.

Last year, $75,000,000 was voted for betterments and improvements in connection with the Canadian National and branch lines, and this in the dying hours of the session. Where does the money come from for all these undertakings? How are the people in this country to meet all the expenditures of this government in connection with such enterprises as the skyscraper on Yonge street in Toronto? The government are going to grant a subsidy of $296,000 a year to a company to build that skyscraper when, right across the street, there are three other large buildings, one of which, belonging to the Canadian Pacific Railway, according to testimony given before the court of revision in the city of Toronto, is not returning 3 or 4 per cent on the money invested in it. The Royal Bank building, it has also been shown, pays less than 3 or 4 per cent while the same is said to be true of the Dominion Bank. Yet we find Sir Henry Thornton, unknown to the parliament of Canada, undertaking this very large expenditure in connection with that skyscraper in Toronto. The original scheme of 1925 had fallen through but certain gentlemen got busy around the corridors here a few weeks ago and a new arrangement was entered into, so that the government will now pay a rental of $296,000 per annum for the use of two or three storeys. In ten years they will have paid for the building twice over. And the government are doing this notwithstanding the fact that there is 700,000 square feet of floor space in various buildings in Toronto which could be utilized to advantage. What the people of Toronto want are necessities not luxuries—a post office and custom house first. Let the government centralize their offices in Toronto and in that way effect economies, instead of renting space on the ground floor at $2,400 a foot per annum. In conversation with an official of the Pennsylvania railway last summer I was informed that both in Philadelphia and in New York the railways were eliminating a good many of their uptown ticket offices and getting the public to buy their tickets at one central office. They are closing down as many ticket offices as they possibly can in the United States and effecting many economies and the same is true of economies effected in operation by the Canadian Pacific Railway in this country. In this way they are able to pay dividends. Why cannot the Canadian National Railways do the same and stop spending money as they are in expensive capital investments?

I am now going to take up a matter which I trust will be referred to in this House later on. The House of Representatives of the state of Michigan are meeting to-day at Lansing to pass a certain agreement made between Sir Henry Thornton, on behalf of the Canadian National Railways, and the legislature of the state of Ohio for the removal of certain tracks passing through the city of Detroit. As hon. members know, the Grand Trunk Railway has certain interests in Michigan and a meeting was held in the city of Detroit the other day to solve this problem. The governor of the state of Michigan, Hon. Mr. Groesbeck, summoned Sir Henry Thornton a month ago to his office in Detroit and there intimated to him quite clearly that the Canadian National Railways would have to get out of Michigan unless they gave up their existing right of way there. The governor of Michigan simply bluffed Sir Henry Thornton, for the state and federal courts have held that the Grand Trunk Railway has a perpetual franchise granted by the state of Michigan. What happened? Acting independently of this parliament and of the railway commission, Sir Henry Thornton has given up a valuable right of way on Woodward avenue in Detroit, in length corresponding to Yonge street from the waterfront to St. Clair avenue, of a potential value, according to the competent authorities in Detroit and many local real estate authorities there, of anywhere from twenty to thirty million dollars. The state legislature is meeting to-day in Lansing, having been summoned by the governor in special session to validate the agreement. Has any counterpart of that agreement been placed before this parliament for ratification? No. We are not even consulted.

Now, let me give the House the terms of the agreement entered into between Alexander E. Groesbeck, Governor of Michigan, on behalf of the state, and Sir Henry Thornton, directing executive of the Canadian National Railway, on behalf of the railway, with respect to the removal of Canadian National Railway tracks on north Woodward avenue, and the surrender of a charter enjoyed by the company in perpetuity:

1. That the Canadian National Railway would deed to the state of Michigan a valuable strip of right of way some twelve to fifteen miles in length between the northern borders of Detroit and the city of Pontiac so that a certain street widening undertaking might be undertaken, and that the Canadian National Railway would accept instead a certain much less valuable right of way.

2. That the Canadian National Railway pay to the state of Michigan taxes of about—

The taxes up to the present are $25,000. The courts, both state and federal, as I have already said, have decided that the franchise is perpetual. What has Sir Henry Thornton agreed to? He has signed, sealed and delivered an agreement to pay—

—$225,000 a year instead of $25,000 a year, the amount paid for the past twenty-five or thirty years on the line in question, the larger amount to cover the cost of the new right of way to be given by the state.

The third clause of this "showdown" agreement provides:

That the Canadian National Railway forever thereafter pay to the state of Michigan a tax commensurate with the value of the right of way in point, the initial amount to be $200,000 a year, based on the assessment.

Sir Henry Thornton's concession of one of the most valuable rights of way owned by the Canadian National Railways in any part of the territory traversed by that line between Detroit and Chicago, and his surrender to Governor Groesbeck of the perpetual charter which became the property of the Canadian National Railways with the acquirement of the old Grand Trunk lines, is generally regarded in Detroit as an epoch-making event in railroad policy. It is apparent that the city of Detroit and the administration at Lansing have had many experiences with the Canadian National Railways similar to the experiences of Toronto and Ontario. In Detroit, as in Ontario, Sir Henry Thornton has stood in adamant determination against all proposals looking to the relief of congestion, the protection of life by the elimination or guarding of level crossings, the construction of a new station—Toronto's old union station is a palace compared with the present Detroit station. As a result of the triumph of Governor Groesbeck over Sir Henry Thornton, hon. members will not be surprised to learn that the expectation of those close to city and state administrations is that the vigorous assertion of public rights will result in remedies for all these difficulties with the Canadian National Railways. After all this, the House perhaps will deem it quite natural that the state of Michigan is going to make Sir Henry Thornton electrify the system.

The special charter surrendered by Sir Henry Thornton was not long ago interpreted by the courts as a perpetual one, and as such it limited the taxes payable to the state by the Detroit, Grand Haven and Milwaukee, the Canadian National Railways subsidiary concerned in the deal, to $25,000 a year. Now the company will be obliged to continue the payment of the $25,000 a year and in addition to pay $200,000 a year until the cost of the right of way to be handed over to the company by the state is liquidated. And then,

according to the agreement: "The said railroad company shall become subject to the general railroad tax laws of the state," which means that a tax of probably upwards of $200,000 will annually become due and payable. The value of the charter being surrendered would be difficult to determine. It limited the taxes of the Detroit, Grand Haven and Milwaukee to $25,000 a year. Capitalizing the difference between that amount and the amounts that will now have to be paid would give the charter in point of value so many millions of dollars that to count them would make one dizzy.

And what did Governor Groesbeck undertake to give Sir Henry Thornton in consideration of these valuable concessions? The agreement reads:

> In view of the foregoing, the legal abandonment by the state of any right to take over the property of the Detroit Grand Haven and Milwaukee by condemnation or otherwise will be assured to the company.

That was all, and the deal, tremendous as it is so far as financial considerations are concerned, is but the beginning, Detroiters say, of a plan to demand genuine service from the Canadian National Railways, and to extract from the company every last penny of taxes on all lines and properties.

It is evident, Mr. Speaker, that under the new agreement all Grand Trunk rights in the state of Michigan can be expropriated at any time. The Grand Trunk formerly had a perpetual charter, but this they have now surrendered, and the state of Michigan can come along at any time and expropriate the railway, which they had no power to do before. I might mention that the value of the real estate involved is worth from 20 to 30 millions: that is the potential value of the right of way given to Michigan. One of the little things in this connection that the people of Detroit have in mind is a scheme to force the company to install a new type of electric power car, operated by a Diesel engine, with crude oil for fuel, the object being to insist that the Grand Trunk which enters the city at strategic points render a suburban service commensurate with the size and growth of Detroit. I understand that Ottawa and many other cities are also agitating for this new type of power car. Mr. Speaker, I place the onus on the railway commission of this country for having allowed the president of the Canadian National Railways to give up this very valuable charter right sweeping to one side the Railway Act and all the decisions of the courts which protected that railway for all time to come, and subjecting itself to the laws of the state of Michigan and to these increased taxes. It has been done entirely without the authority of parliament, just as was this skyscraper proposition and the Rouyn railway that was mentioned the other day, and if this kind of thing is allowed to go on we might just as well say that there is no such thing as responsible government in this country. No wonder the National railways are running behind. I hope the day will never come when any member of the government or any member of this House or anyone outside will try to interfere with the administration of the National railways, which should be run from the commercial aspect. The president of the road is appointed to manage the railway and he is given a free hand, but he is not empowered by parliament to go over the head of parliament and the railway commission and spend millions and millions of dollars of the taxpayers' money on capital account without the representatives of the people being consulted.

10 p.m.

Mr. FINLAY MacDONALD (Cape Breton South): Mr. Speaker, as one of the new members of the House may I be permitted to join in the general chorus of congratulation to yourself on your re-election to the high office of Speaker? Long before I was elected to parliament I knew you by reputation; I had heard of your fairness, ability and impartiality. Since I have been in the House I have had opportunities of observing these things for myself, and I have learned that your decisions are always just and, particularly so far as the younger members are concerned, tempered with mercy. I trust, Mr. Speaker, that that fund has not been exhausted, because it is within the bounds of probability that I shall make a draft or two upon it before I sit down.

I believe the advice usually given to the younger members by older and more experienced parliamentarians is that during their first session at least they should preserve a discreet silence. That, I think, is very good advice, because naturally a new member coming to this House feels himself somewhat under restraint, feels himself sitting in the seats of the mighty for the first time, and naturally he should give himself an opportunity to get more or less acclimated to the somewhat rarified atmosphere of this chamber. That admonition I would be only too glad to heed; I would be only too well satisfied to preserve a silence during my first session in parliament, but unfortunately, possibly because there have been so many new members and all have evidently felt the urge to deliver their message to the House, the advice has been more or less disregarded;

the new members, comprising probably half the membership of the House, have nearly all contributed to the current political literature of the country. That may have been partly due to the uncertainty prevailing in government circles and to the uncertain future of this parliament. Possibly they have felt that if they did not deliver their message at this session there might be no other opportunity of doing so.

A particularly gratifying feature that I think distinguished all the speeches was that members coming to this House spoke as representing the whole of Canada, realizing that when they took their seats in parliament they no longer represented merely the restricted areas that elected them, but every part of this great and glorious country. We have been enabled to bring to the attention of this chamber the various problems that are troubling different sections of the country, and although I come from Nova Scotia I feel that I should take as deep an interest in the problems of the western country as in those of my own province. I have been particularly pleased since coming to this House to find such a sympathetic and hearty response from the representatives of the other provinces, particularly those of the west, who have been always ready to hear and to consider the problems of the Maritimes. I might refer to the admirable speech of the hon. member who has just taken his seat (Mr. Church), and particularly to the speech delivered by the hon. member for Moose Jaw (Mr. Ross) a day or so ago, in which, although representing a western constituency and feeling his chief interest bound up in western affairs, he said that he was prepared to consider sympathetically those Maritime problems that we are bringing to the attention of this House.

This problem that goes by the name of Maritime rights has been before the House on several occasions. Many hon. members on both sides have indicated their willingness to help in the solution of Maritime province problems, but they have all said they want to know exactly what those problems are. They want us to condescend to particulars, as the lawyers say; to tell this House what our troubles are down there, what the causes may be, and what parliament should do to provide a remedy. Possibly there is some ground for the criticism that we have not been definite enough in outlining exactly what it is that bothers us in the Maritimes; and in the time that I shall trespass on the patience of the House I hope to give hon. members as clear an idea as I can on these points: First, what the present condition of the Maritime provinces is; secondly, what in my opinion the causes are, that have led to that condition; and thirdly, what remedy should be applied.

I should like to impress upon hon. gentlemen the seriousness of the situation in the Maritime provinces; I refer now particularly to the province of Nova Scotia. I am not so well conversant with the problems of the other two Maritime provinces, but I do profess to know something about those of my own province of Nova Scotia. This matter of Maritime rights is not political propaganda. It is a movement on the part of the people of that section of the country, originated for the purpose of getting clear of certain disabilities under which they labour, disabilities which must be removed if we are not to fulfil the destiny that was predicted by the opponents of confederation—that we would become mere hewers of wood and drawers of water for the other provinces.

I am not going to delve very deeply into statistics. Like my hon. friend the member for East Edmonton (Mr. Bury), I have not very much confidence in statistics, because you can prove nearly anything by figures; but I am going to use them slightly for the purpose of bringing home one or two points that I shall have to make. In the first place I want to tell the House something about the present condition of the province of Nova Scotia. The matter has been before the House on one or two other occasions, but I do not think hon. members yet have a very clear idea of the desperate condition in which that province now finds itself. The debt of Nova Scotia has been multiplied by ten during the last twenty-five years. In 1900 its liabilities amounted to $4,059,517, but on September 30, 1925 they had reached a total of $40,130,119. In 1900 the funded debt of the province was $3,776,033 and in 1925 it was $35,267,927. That progress has been accelerated during the last three years. From 1922 to 1925 we have gone in debt in Nova Scotia at the rate of $5,000,000 a year. The debt of a province is not a very serious thing if the value of its assets continues to advance proportionately. But such is not the case in Nova Scotia. We find our debt increasing, we find our assets diminishing and our sources of wealth growing less year by year. Our revenue in the province is chiefly derived from our coal. In 1921 we produced about 5,734,928 tons of coal. In 1923 the production amounted to 6,597,838 tons, and in 1925 it dropped to 3,842,166 tons. In addition to the fact that our debt has increased, our chief source of revenue has been falling off at an alarming rate. Our second great source

of wealth in Nova Scotia is our fisheries. In 1920 they were worth $12,742,459; in 1922 they had dropped to $10,209,258, and in 1924 to $8,777,251. These statistics, which are all that I am going to quote, will give hon. members some idea of the present financial position of that province. In addition to that, Nova Scotia has suffered, just as all other provinces of Canada have suffered, from an exodus. I have no statistics on this point, but I do know from actual observation that in my own city of Sydney the passports issued by the United States consul have amounted to about 500 a month. This is a heavy drain on the manhood and womanhood of our part of the country.

When we entered confederation Nova Scotia was represented in this House by twenty-one members. To-day we have but fourteen. During the past year, in the industrial centre which I have the honour to represent—situated in the richest mineral county in the whole of Nova Scotia—we had nothing but destitution and suffering, soup kitchens and bread lines. About a year ago that matter was discussed here in parliament and the hon. member for Queens-Lunenburg (Mr. Duff)—I am sorry he is not in his seat to-night, because I am going to have something to say to him—made certain statements regarding that condition of affairs. What I have said will give hon. members of this House a glimpse of conditions that prevail in Nova Scotia. Now what are the causes? A great many people attribute the present condition of affairs in that province to our union with Canada. At the time of the union Nova Scotia was in a very prosperous and happy condition, a condition which has already been described by previous speakers in this House. Its ships sailed the seven seas, and its large mercantile establishments and warehouses played an important part in the commercial life of that province. There was, as hon. members are aware, great opposition to confederation in the province of Nova Scotia. Nova Scotia was forced into confederation because the two provinces of Quebec and Ontario were deadlocked. They could not get along combined and they could not get along separately; so that outside territory had to be brought in to solve their legislative troubles. In order to bring about a solution we say that Nova Scotia was sacrificed, and we have been paying for that union ever since. So bitter was the opposition, generated no doubt by the method that was adopted to force that province into confederation, that for years after the consummation of the union, on the first of July in every year the opponents of the union hoisted their flags at half mast. That opposition has not yet died out. Twenty years after confederation the Right Hon. W. S. Fielding, then Premier of Nova Scotia, swept the province on the cry of repeal. Major Hume Cronyn, an exceptionally well qualified man to judge, formerly a member of this House—he attained the reputation of being one of the ablest men who ever sat in parliament,—was a member of the Duncan commission and he was sympathetic towards the wants of the Maritime provinces. In his report he says:

> Let us consider but two of these consequences.

I am going to read just now this particular reference to the major point I am discussing.

> We in Ontario are accustomed, if not hardened, to the accusation made in the prairie provinces that the east treats the west unfairly; but the sense of grievances unredressed which prompts this charge is as nothing to the depth of feeling which exists in the Maritimes against the central provinces of Ontario and Quebec. That resentment is of old standing and one of its causes is the belief that the Atlantic provinces were more or less cajoled into confederation by promises and alluring prospects which have failed of fulfilment. It is indeed not going too far to say that the tie of sentiment which binds Nova Scotia to the Dominion has worn very thin.

I do not know that the hon. members are particularly impressed with the seriousness of the situation. It is just possible that they may ridicule the feeling that exists in Nova Scotia and pay no attention to the warnings that may be given to them. But I wish to read for the information of the House a telegram which appeared in the Ottawa Journal the other day, dated Amherst, February 18:

> The possibilities of commencing a secession movement in the Maritime provinces were to-day informally discussed by a handful of local business men, headed by one Walter H. Tennant, a prominent manufacturer of this town. It was stated that a meeting to formally debate the topic would be called at an early date, and Mr. Tennant was authorized to secure a speaker and arrange the details of the meeting.

I desire to read another letter which appears in the last issue of Toronto Saturday Night, dated Truro, February 3, as follows:

> To the Editor of Saturday Night.
>
> I read your editorial in Saturday Night, and while I am a Maritime man I agree with nearly everything you say. To my mind it is the greatest folly to try and force western grain through Maritime ports. On every million bushels so shipped Canada has to pay at least $50,000,000 in extra haulage. Maritime people are accustomed to say,, "Let the country pay as long as we get the benefit," but that is no argument and should not be considered. As you say, water will seek its level, and so this grain trade will and should find its way to the seaboard by the shortest and cheapest route no matter whether through Canadian or American ports.

But, Mr. Editor, let me say that the Maritime provinces can never attain their utmost prosperity in Canada. Just as sure as the sun will rise to-morrow morning, so certain it is that we will some day be affiliated in some way with the United States. That is our certain destiny. We have sent from these provinces the very best of our manhood to that country, and the majority of those who remain are looking with longing eyes in the same direction.

C. P. BLANCHARD.

I am not reading that because I have any sympathy with the views therein expressed. Many of us are Canadians and hope to remain Canadians, but we would not be doing our duty to our fellow Canadian citizens if we failed to call attention to these indications of the trend of feeling in the Maritime provinces. If an agitation or movement of that sort starts, it is difficult to say just where it will end. Although it may lack leadership just now, no movement fraught with such hope for success would lack that leadership very long.

I do not for one think that confederation is the sole cause of our present problems in Nova Scotia, but confederation, the union of Nova Scotia with the rest of Canada, let loose in that province certain economic forces that are largely responsible for those problems. The two provinces of Quebec and Ontario were very much larger and wealthier than the little province of Nova Scotia. Very shortly after confederation the competition from those upper provinces wiped out the industries of the lower provinces, and the wholesale offices and business concerns of the upper provinces very speedily put out of existence all the commercial houses of Nova Scotia. To-day you have in the Maritime provinces a market of a million people, practically controlled by the two provinces of Quebec and Ontario. Surely it is worth while for Quebec and Ontario to make some sacrifice in order to retain that market, and that sacrifice we are going to ask them to make.

Certain other results followed from that union, possibly the most important of all being the draining of the financial resources of Nova Scotia to the central provinces of Quebec and Ontario. Twenty-five years ago we had in Nova Scotia half a dozen banks—small ones, it is true, but each serving certain business interests in a restricted area. The bankers of those days were like country dealers; they knew all the resources of their customers, whose friends they were, and they were able to advise their customers on all matters of interest to them. But what has happened? To-day we have not one bank in Nova Scotia. All our banks have been merged, gobbled up, and their headquarters

[Mr. F. MacDonald.]

moved to Toronto or Montreal. The result of this—and I venture to say it is largely the cause of the agitation for Maritime rights—was disclosed when a year or two ago an attempt was made by various municipalities to make those banks pay a fair rate of taxation. It was then learned that all the savings deposits in those banks were transferred to headquarters in Montreal or Toronto and invested from there. In that way practically all the financial resources of Nova Scotia have been drained out of that province and are managed to-day from Montreal or Toronto by this small number of wealthy men who, it is alleged, control all the financial interests of Canada. I have no doubt hon. members have received this extract which I hold in my hand from an address delivered by the general manager of the Royal Bank of Canada at its annual meeting in which he paid particular attention to this idea and set forth the benefits to Canada of having big banks with branches spread throughout the country. That may be all right in theory, but in practice it has been fatal to Nova Scotia.

Following our money went our industries. The greatest industry we have to-day in eastern Canada is the British Empire Steel Corporation, and it should be a purely local concern. It was started in 1893 when all the little mines in the county of Cape Breton were merged in the Dominion Coal Company. From that a still larger merger was effected in the Nova Scotia Steel and Coal Company, and two or three years ago the British Empire Steel Corporation was formed, the headquarters of that institution being moved to the city of Montreal. The result is that we have the principle of absentee landlordism in our greatest industry in the east. We have had trouble recurring every year. Why? Because the executive of that corporation are a thousand miles away from the men who earn their money for them. We think if we had a local executive rubbing shoulders with the men and entering into their interests, a great deal of the cause of all this trouble would be wiped out. I had as one of my opponents in the last election the labour leader, Mr. James B. McLachlin, who contested that constituency on no other ground than opposition to the Besco. He did not receive a vote apart from those of employees of that corporation, yet he polled 3,600 votes.

A third cause, which is possibly as important as any, was the fact that we had in Nova Scotia a local government that had long outlived its usefulness, that had existed there for forty-three years with no other purpose and aim than to keep itself in power. It became at last nothing more or less than a

sort of glorified Tammany organization. It paid no attention to anything except fixing its own political fences, building its own organization from the small municipal corporation and town meetings up to the government of Halifax itself. I was never so impressed with the uselessness of that organization as when I met a number of our Progressive friends and found out at a conference just what Alberta was doing. Labouring under greater handicaps than I think we have in Nova Scotia, they sent out a trade commission with the result that they are getting year by year in the other provinces a larger market for their coal. That is due to good salesmanship and to giving to the people of Alberta proper government. No such effort as that was ever made by the local government of Nova Scotia.

We do not want any commissions in Nova Scotia; we know exactly what we want down there and there is a fairly strong determination on the part of the people of that province to get it. This Maritime rights matter is not Tory propaganda at all, and I cannot put it more concisely than it was put by the late Premier of Nova Scotia—a Liberal premier remember—Mr. Armstrong. About a year ago conditions then were not as desperate as they are now, but they were nevertheless, as Mr. Armstrong said, very disturbing and very alarming. He headed a delegation of business men from the whole province, Liberals and Conservatives joining hands and coming to Ottawa to lay their case before the Right Hon. Mr. Mackenzie King, Prime Minister of Canada. Some result followed in an increase in the duty on slack coal and a reduction on bituminous coal. It was of some benefit, but it did not meet the needs of the province, and I cannot do better than read to the House the summary of the memorandum presented by Mr. Armstrong to this government. I ask the House to bear in mind the fact that this was a Liberal premier who knew the circumstances of his province and who was asking for certain reforms. The summary reads:

The deputation, to summarize their representations, can only repeat that the condition of the allied coal and steel industries in Nova Scotia, and the varied interests that are dependent thereon, is truly desperate, and they can see no hope of relief from present difficulties, nor any hope of permanent prosperity in Nova Scotia unless remedies are applied by the government, which alone has the power to take the necessary action.

It is not possible to exaggerate the calamitous consequences to Canada should coal mining in Nova Scotia be permitted to decline until it should play no important part in the fuel supply of the Dominion.

Not only would absence of native competition against imported coal eventually raise the price of coal in Canada, but a state of abject dependence upon another country for an indispensable material, would become permanent after Nova Scotia had ceased to give eastern Canada some measure of self-reliance in coal supply.

We believe the government recognizes this fundamental necessity to maintain the allied coal and steel industries, and therefore ask that the requests contained in the foregoing memorandum be granted. Briefly summarized these are as follows:

1. Revision of the customs tariff upon coal to include:

(a) Adjustment of the duty on slack bituminous coal to at least the present duty on round bituminous coal, and inclusion under the same duty of anthracite dust and screenings.

(2) Imposition of the duty upon coal used in steel making and metallurgical processes, now exempt from duty.

(c) Amplification of the subvention upon rail carriage of Nova Scotia coal to include water carriage beyond Montreal, and of railway fuel now exempted from the subvention. Raising of the maximum amount of assistance on any given freight rate from the existing limit of fifty cents per ton to one dollar per ton. Extension of the subvention for a period of years.

(d) Assistance in establishment of coking plants using Canadian coal for manufacture of domestic fuel.

Last year the government prepared a bill for the production of this fuel but it did not present it to the House. We hope that this year this government will have courage enough to bring it down, and we promise it very cordial support, at least from the Nova Scotia members. What is wanted, in the second place, is:

A revision of the customs tariff upon iron and steel and their products, in which consideration will be given to the difficulties now hampering the steel works in Nova Scotia, which include the following:

I need not go into that because a discussion of the point will be more appropriate when the budget debate comes up. I want however to bring home to the government just what we are asking for in Nova Scotia. Where can we look for redress, Mr. Speaker? We have three members from Nova Scotia supporting the present government, one of whom is the Minister of National Defence (Mr. Macdonald) and another the hon. member for Queens-Lunenburg (Mr. Duff), who addressed the House a few days ago and rather ridiculed the idea that has been put forward by the Maritime righters. The hon. gentleman made an excellent speech, which I listened to with great interest from beginning to end. It was what might be called a fighting speech, and a fighting speech is one that is distinguished by courage. And I must say that the hon. gentleman from Queens-Lunenburg on that occasion displayed considerable courage, courage which at times rose almost to the pitch of recklessness. I admired his speech very much, I say; but it seemed to me that the hon. gentleman must be a somewhat credulous person. He made a lot of statements which I have no doubt he heard and accepted in good faith but which were rather startling, to say the least, to anyone acquainted

with the facts. The first statement of his which struck me was this, that only after the Tories came into power in 1911 did we have any trouble in the Cape Breton mines. I may inform the hon. gentleman that since 1867, since confederation in fact, we have never had any trouble in Cape Breton, we have never had any strikes, lockouts, riots or anything else, while there was a Conservative government in power. Another statement the hon. member made which requires correction was one which was often repeated during the last local election, namely, that the Tories of Nova Scotia advised the miners to stay out on strike and fight and that the matter would be straightened out and the miners would be helped when the Conservative party came into power. There is absolutely no justification for any such statement as that; it had its origin in the editorial room of a discredited Grit paper in Sydney. No Conservative speaker of any standing and no Conservative newspaper ever directly or indirectly held out such an inducement as that.

The hon. gentleman said he was opposed to higher coal duties. He has, I suppose, a perfect right to his own opinion, but I do not think he fairly expresses the public opinion of Nova Scotia. He was against the Canadian National Railways buying Nova Scotia coal if they could get cheaper coal elsewhere, and in that, I suppose, he was simply following out what the government said when they gave, through the Canadian Press, on May 29, 1922, the following statement:

> Preference was given to Canadian coal, but where American coal, including duty, could be delivered at certain Canadian points more cheaply than Canadian coal, the railway management took the attitude that they would continue to purchase to the best advantage.

That is not the wish of Nova Scotia. Another bit of wisdom that dropped from the lips of the hon. member for Queens-Lunenburg was that he thought the government interfered too much in private business. I have heard that remark before. I have only to say that while I have not been in this House very long, yet after listening to the charges made by the hon. member for Vancouver Centre (Mr. Stevens), and hearing some of the evidence given before the Customs committee, now investigating those charges, I have come to the conclusion that the government is not interfering quite enough in some private business. However, I suppose that depends on the point of view.

We have another representative from Nova Scotia in the person of the hon. member for Antigonish-Guysborough, the Minister of National Defence (Mr. Macdonald). Of course, unfortunately for us he does not now represent a coal county; but in 1921 he was running an election in a coal county, and we have on record the promises and pledges that he then made to the constituents of Pictou riding. He promised if elected to move a resolution for a higher duty on coal, and on iron and steel; that he would secure them lower rates on the Intercolonial from New Glasgow and Pictou to Montreal; he went further, he said he was going to take the Intercolonial away from the Canadian National Railways. In moving terms he pictured the destitution and sorrow that had visited the homes of the miners in Pictou county, and he led them to believe that his return to the House of Commons as their representative would result in a golden era —their dark and desolate homes would be flooded with sunshine. A short time ago we had that hon. gentleman declaring in this House that he was not now in favour of a higher duty on coal or on steel. The hon. gentleman, apparently recognizing and remembering the promises he made in 1921, and no doubt having in mind the sign that is posted up on most industrial institutions throughout Nova Scotia, the sign of "safety first," did not go back to the county of Pictou for re-election, but sought a comparatively safe refuge in Antigonish-Guysborough.

I am afraid we cannot look to hon. gentlemen opposite for any remedy for our ills. I have before me a copy of the bill that they introduced last year to encourage the production of domestic fuel from coal mined in Canada. I hope they will reintroduce it this session and place it on the statute books. But our main hope must depend on the great consideration and keen sympathy that we have received from our Progressive friends. I trust that when they come to prepare the budget for the government—as prepare it they will—they will crystallize into legislation in a practical form all the promises they have been making to us. I envy them the proud position they occupy in this House. But more than anything else, I envy them their apparently unquenchable optimism that, despite their knowledge of the many unredeemed promises of this government, they are really going to get what is now promised them in the Speech from the Throne.

I have in my hand certain resolutions passed by the agricultural societies of Nova Scotia. In addition to the mining and fishing population we have a very fair number of people engaged in agriculture. The present provincial government has already devoted some attention to local affairs. One of the much needed facilities we desire to have pro-

vided is a cold storage system extending throughout the province. But probably it will be more appropriate to discuss this question when the budget proposals come before the House.

I do not think I have anything further to add, Mr. Speaker, than this: I should like the House to understand that the situation in the Maritimes is really serious. A movement is on foot down there that will have disastrous results for the Dominion unless this government wakes up to the gravity of the situation and brings in some ameliorative legislation that will go far to remove the disabilities that I have brought to the attention of the House.

On motion of Mr. MacNutt the debate was adjourned.

On motion of Mr. Lapointe the House adjourned at 10.50 p.m.

Friday, February 26, 1926

The House met at three o'clock.

CANADIAN NATIONAL RAILWAYS

BRANCH LINES—STATEMENT OF WORK AND EXPENDITURE

Hon. J. A. ROBB (Minister of Finance): I desire to lay on the table a report in duplicate of branch line construction expenditure as follows:

Summary of work done and actual expenditure to end of year 1925, also during the calendar year 1925, on the various branch lines of the Canadian National Railways, authorized to be constructed under chapters 14-32 inclusive of 14-15 George V, and chapters 5 and 7, of 15-16 George V.

Also detail of expenditures incurred and work done, as well as estimate of expenditure proposed during 1926. This statement is intended to replace the provisional report, with estimated expenditure, previously made by the management in order to comply with the requirement of the act as to return to parliament, which report was brought down Tuesday, February 16th, by Mr. Lapointe.

Sir HENRY DRAYTON: Does my hon. friend include in that report expenditures on the Rouyn railway?

Mr. ROBB: I have not read the report. It came over from the department and I tabled it.

REPORTS AND PAPERS

Annual report of the National Gallery of Canada for the year 1925.—Hon. Mr. King.

LOCARNO TREATY

On the Orders of the Day:

Mr. PETER McGIBBON (Muskoka-Ontario): Can the Minister of Justice (Mr. Lapointe) tell me when the correspondence relating to the Locarno treaty will be laid before the House?

Hon. ERNEST LAPOINTE (Leader of the House): Correspondence with the British government is still being exchanged. We are asking permission to make the whole correspondence public but we have not yet been able to secure it. We are still communicating.

FORT ALEXANDER INDIAN RESERVE

On the Orders of the Day:

Hon. CHARLES STEWART (Minister of the Interior): Yesterday the hon. member for Springfield (Mr. Hay) asked a question with reference to the sale or lease of the Fort Alexander Indian reserve to the Manitoba Pulp and Paper Company. I find that on the 30th day of January, 1923, the Fort Alexander band surrendered an area of 520 acres in the extreme southeastern portion of the reserve, for lease to the Manitoba Pulp and Paper Company, Limited. The lease subsequently issued for a period of ninety-nine years, at an annual rental of $1,040. On the 23rd day of January this year the band surrendered for sale to the Manitoba Pulp and Paper Company, Limited, an area of 390 acres, in the same part of the reserve, at a price mutually agreed upon of $40 per acre, cash. Of this area 304 acres are embraced in the portion previously surrendered for leasing. This land was originally leased and later sold to the Manitoba Pulp and Paper Company, Limited, as a mill site in connection with the extensive operations which this company proposes to carry on in that section of the province of Manitoba. All financial transactions in connection with this matter have been promptly carried out as agreed to. Both surrenders referred to above were approved by a majority of the voting members of the Fort Alexander band.

EMBARGO ON GRAIN SHIPMENT

On the Orders of the Day:

Mr. M. N. CAMPBELL (Mackenzie): I desire to ask the Acting Minister of Railways (Mr. Robb) a question arising out of a letter which I received from the secretary of the village of Kelvington, Saskatchewan, dated February, 22, 1926. Kelvington is a village on the Canadian National railway in northern Saskatchewan. For a couple of months past there has been an embargo on the loading of grain and shipments out of this point have been at a standstill, with a few exceptions where carload lots have been shipped out on a permit. He further complains that at Rose

Valley, their nearest competitive point, the Canadian Pacific Railway have been handling grain right along, resulting in many farmers who would normally haul to Kelvington going to Rose Valley. There has been shipment of grain on the Canadian Pacific railway while there has been an embargo on shipment by the Canadian National railway. He further points out that all the grain shipped via the Canadian Pacific railway is routed through Quebec, and that the Canadian Pacific Railway have put into effect a reduced rate to the city of Quebec. My informant wishes to know if the government have any information to give us on this matter, and if they are in a position to say why it is the Canadian National Railways are not permitted to ship grain to the city of Quebec as well as the Canadian Pacific Railway, and why there is this discrimination. Has the minister any information?

Hon. J. A. ROBB (Acting Minister of Railways): My hon. friend knows as well as I do, and as all hon. members in this House interested in the grain trade know, that due to the congestion in the elevators there has been an embargo on the shipment of grain both to the Pacific coast and to the Atlantic coast. I am not sure that a very great quantity of grain is en route to Quebec, because the last reports I had of the elevator in Quebec just after the close of navigation was that very little space was available. I shall, however, direct the attention of the operators of the Canadian National Railways to the matter and try to get my hon. friend a more definite reply on Monday.

Mr. CAMPBELL: A great deal of the grain in that particular section of the country is damp and tough, and if it is delayed very much longer in transit to the port, very serious loss will ensue to the farmer.

Mr. ROBB: My hon. friend has brought up a new question, that of damp grain. That feature of it was brought to the attention of the Department of Trade and Commerce some time ago by the grain commission who stated that the yards at Fort William were congested with damp grain and that unless some method was adopted of drying that grain before the weather began to get warm, there was danger of damage to the grain. I immediately communicated with Mr. Beatty of the Canadian Pacific and Sir Henry Thornton of the Canadian National asking them to co-operate with a view to drying the grain at Fort William and I understand that they are now doing so.

Hon. R. J. MANION (Fort William): In regard to that, may I suggest to the minister that the drying of grain at Fort William depends on the facilities there for drying it, that is, on the number of hospital elevators that exist there and there might be a shortage of the facilities if a great flow came.

Mr. MEIGHEN: May I ask the Minister of Finance how many departments he is acting minister of now?

CANADIAN NATIONAL RAILWAYS

INVERNESS RAILWAY

On the Orders of the Day:

Hon. Sir HENRY DRAYTON (West York): May I ask my hon. friend the Minister of Finance, the Acting Minister of Trade and Commerce in his capacity as Acting Minister of Railways (Mr. Robb) if he would be so kind as to table the correspondence in connection with the Inverness railway.

Hon. J. A. ROBB (Acting Minister of Railways): If there is any correspondence I shall be glad to table it.

AUSTRALIAN TREATY

BOUNTY ON BUTTER EXPORTED FROM COMMONWEALTH

On the Orders of the Day:

Mr. DONALD SUTHERLAND (South Oxford): I know the Minister of Finance is a very busy man, but I should like to ask him if any reply has been received from the government of Australia regarding the bonus on butter to which I directed his attention yesterday. If not, would the minister place before the House the nature of the communication sent by this government to the government of Australia?

Hon. J. A. ROBB (Minister of Finance): I think my hon. friend must have misunderstood me as I never said that we had communicated with the government of Australia. We communicated with our trade commissioner at Melbourne, Australia, and I gave my hon. friend the information yesterday. I notice Hansard got the wrong interpretation to the answer.

Mr. SUTHERLAND (South Oxford): I would like to direct the minister's attention to the statement made by the Minister of Agriculture on Monday last that he understood the Minister of Finance was in communication with the government of Australia in regard to the matter.

Mr. ROBB: With Australia. We have a commissioner there who acts for Canada.

GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

The House resumed from Thursday, February 25, consideration of the motion of Mr. J. C. Elliott for an address to His Excellency the Governor General in reply to his Speech at the opening of the session, and the proposed motion of Mr. Bird: "That this question be now put."

Mr. G. T. MacNUTT (Colchester): Mr. Speaker, I rise to address this House for the first time with no small degree of diffidence. Due, however, to your charm of manner, your dignity and the courtesy that you have shown to other new members who have preceded me, my task is made very much lighter. May I too, even at this late date in common with many other hon. members, convey to you my sincere felicitations on your elevation to the honourable and exalted position of chief commoner in this the fifteenth parliament of Canada?

Having listened with a great deal of pleasure throughout this debate to hon. gentlemen from all parts of this vast Dominion who have discussed questions of paramount importance to this country, I have observed that many new members have taken the opportunity of giving some of the impressions they have gained since coming into this House. May I be permitted to refer to a matter that impressed me perhaps more than any other, and in doing so, I wish it to be distinctly understood that it is not my intention to cast any reflections upon any party in this House nor to read a lecture to any hon. members. May I refer to what I think is altogether too common in this House and that is the too frequent interruption of hon. members who are addressing this assembly? In my judgment the dignity and prestige of parliament is very much impaired by this practice. It is unfair to the hon. gentleman who is addressing the Chair. It is unfair oftimes to the hon. member who makes the interruption which is not infrequently of a kind intended rather to embarrass the speaker than to edify the House. It is unfair to you Sir, as the Speaker, whose duty it is to endeavour at all times to maintain the dignity of the House. We have come here from different portions of Canada to try to solve problems of tremendous gravity which confront us today, and I do not believe the Canadian people have sent us here to practise what I may be permitted to term sledge-hammer politics. This, the first and highest court in this country, is a good place in which to practise the golden rule and it should be the endeavour of every hon. member to maintain as far as possible the dignity of this House.

During the past week the Australian treaty has been debated at great length in this chamber. The county of Colchester, Nova Scotia, which I have the honour to represent, is largely interested in the dairy business and I may be permitted to make a few observations concerning this treaty, which is of considerable importance to that county. Since coming here some weeks ago I have received very many letters from my constituents with reference to butter that has been coming into the province of Nova Scotia and forcing down the price of local butter to the farmers in the county at a time of year when it costs them more than at any other period to produce this commodity. These letters are not all from Conservatives, many of them coming from Liberals, and this will show that the question is not one of party. It is a matter of bread and butter to the farmers of that province. If the valorization scheme which has been proposed in Australia becomes law the dairy business in my province will be immediately ruined. The Pattersen scheme, which seems to be receiving a great deal of support in Australia, is not unlike the valorization plan in certain features, a plan which has worked to the advantage of the Brazilian coffee growers. It is proposed to levy a tax of 2 cents per pound on butter made in the creameries of Australia and to use the proceeds of that tax to pay a bonus of 6 cents per pound on each pound of butter exported from the country. How the Australian consumers will view this proposal we are not told though we can easily imagine what their attitude will be towards it. What concerns us in Canada is the fact that the Pattersen scheme makes it possible to lay down Australian butter in this country at 6 cents per pound less than its actual market value. In other words, a bonus of 6 cents per pound is provided to enable the Australian dairyman to undersell his Canadian cousin right in his own Canadian market. In the interests of the automobile business and of other manufacturers who are building up a good trade in Australia, it might have been necessary for our government to offer that country some inducements. But what were our farmer members doing to allow their interests to be sacrificed in such a manner? Is it more important to retain a party in power, or to preserve the interests of so very important a business as dairying in Canada? A few days ago when I expected to address the House on the Australian treaty I found that by agreement between the whips I was unable to take part then, and in the meantime I have taken the trouble to wire to one of my friends in the town of Truro, which is the county seat of Colchester, for

information regarding the imported butter which was coming into that town. I am going to read to the House the information I got on the subject. I have the telegram here and as it is rather lengthy I have condensed it in order to make it more understandable. Now the freight rate on butter from Australia to Halifax is $1.75 per hundred pounds, while the rail freight from Halifax to Truro, a distance of 62 miles, is 41 cents per hundred pounds. The total cost of delivering Australian butter from that country to Truro is 2.16 or less than 2¼ cents per pound. Let us see what the farmers in that province are paying for the transportation of their products. My information is that it costs 20 cents per can for the railway transportation of 25 pounds of cream from Brookfield to the Truro creamery, a distance of eight miles, and the average test of this cream being 27 per cent butter fat, this can would give 6¾ pounds of butter, thus making the transportation charges to the farmer over a distance of eight miles approximately 3 cents per bound for his butter, while as I have said butter can be shipped from Australia to Truro at 2¼ cents per pound. The government should endeavour to stop the importation of butter from Australia and New Zealand at the present time because this butter is forcing the price of the local product down to a figure which returns no profit to the farmers. One good feature of the treaty, as I understand it, is that upon six months' notice from the government it may be cancelled. Well, surely enough has been shown in this debate to prove that the treaty is most injurious to the farmers of the country, and there should be no hesitation about cancelling it.

I have observed throughout this debate that hon. members from all parts of Canada have invariably discussed the questions which most interest them in their individual constituencies in their own provinces. Now I have the pleasure this afternoon of following the hon. member for Cape Breton South (Mr. MacDonald) who addressed the House last night in connection with Maritime rights, and I do not offer any apology for considering, for a time at least, this important question which transcends every other question not only in the province of Nova Scotia but in the Maritime provinces generally. Before proceeding however I want to offer my thanks to and express my very great appreciation of the hon. member for Gloucester (Mr. Robichaud) who gave us such a splendid address a short time ago, for the compliment he paid me in reading to this House a manifesto issued by myself to the electors of Colchester county on September 26, 1925. I deem this a great honour, an honour which I believe no other gentleman in this House has thus far enjoyed this session. Let me state here on the floor of this House for the benefit of the hon. member that I stand here prepared to fulfil every pledge that I made to my constituents during that contest. The hon. member read portions of that manifesto, which is as follows:

> In accepting this nomination I wish to make it plain that if I am elected I will not be a political partisan.

Surely that is preferable to being a died in the wool partisan. Again:

> I will stand four square for the rights of Nova Scotia and the rights of the Maritime provinces.

Does my hon. friend see anything very wrong in that?

And again:

> I will stand four square for the rights of Nova Scotia and the rights of the Maritime provinces, and if the time should ever arrive when I must choose between the interests of my party and the interests of my native province, I pledge my word to the electors of Colchester and the people of Nova Scotia that the interests of my native province will always come first.

That was the platform I presented to the people of Colchester on October 29; that is the platform upon which I stand on February 26. I may go further and say that we have 23 members from the Maritime provinces on this side of the House who have subscribed to the same manifesto, and until our honoured leader refuses to implement the promises he made to the Maritime provinces, we intend to support him.

I think it was my good friend from Queens-Lunenburg (Mr. Duff) who stated recently that Maritime rights were nothing more than Tory propaganda. I hold in my hand the manifesto issued by my opponent in the county of Colchester. I wish the House to remember that he is a very clever barrister. The manifesto is very long and I shall detain the House with only a few extracts. He tells the people of Colchester:

> It is generally recognized that business conditions in Nova Scotia have been particularly unsatisfactory because of the great burdens placed upon our people and upon the natural industries of the province by the customs tariff devised by previous Conservative governments and since maintained in varying degrees by succeeding administrations.
>
> Just grievances also exist in railway matters created by previous Conservative governments and in justice to our people and the province such grievances must be righted.
>
> The farmer, lumberman and fisherman have been sacrificed, indeed every person other than half a dozen factory owners, specially privileged and subsidized by the customs tariff are feeling the pinch and finding it difficult to make ends week.

An hon. MEMBER: Hear, hear.

Mr. MacNUTT: An hon. member opposite says, "Hear, hear." In the course of my re-

marks I shall deal with the half dozen "privileged factories" in my county to which the manifesto refers.

The young people are being forced by conditions in Nova Scotia to go to other parts of Canada and to the States in search of a livelihood.

I appeal for your support on a platform of Nova Scotia rights—

Nova Scotia rights, not Maritime rights.

—and a customs tariff suited to the peculiar needs of the province.

Those are the essential parts of the manifesto issued by my opponent to which I wish to draw the attention of the House.

Now let us for a moment look at the results of that manifesto. In 1921 the county of Colchester was represented in this House by a Liberal. In the October election—I do not wish to speak in any boastful spirit—my Liberal opponent, a good friend of mine, a very clever lawyer and a young man of unimpeachable character and great promise, barely saved his deposit; sixty-six per cent of the votes were polled for me. I think the hon. member for Kent (Mr. Doucet) gave the House particulars of the votes polled in the Maritime provinces last October. I wish, Sir, to give hon. members the figures for Nova Scotia. The Conservatives polled 125,656 votes; the Liberals, 92,737; Labour, 3,617, or a majority for the Conservatives of 30,000 over all other parties in the province.

Mr. ROBICHAUD: Is the hon. gentleman including in the Conservative total the votes cast for himself?

Mr. MacNUTT: No. The figures I have given show approximately a majority of 30,000 for the Conservatives over the other two parties.

Mr. ROBICHAUD: My hon. friend does not understand my question. Is he including in the Conservative total the votes cast for himself in the Colchester election?

Some hon. MEMBERS: Why not?

Mr. ROBICHAUD: I thought he said he was not a Conservative candidate.

Mr. EDWARDS: You only thought you thought.

Mr. MacNUTT: I am sorry, Mr. Speaker, that the acoustic properties of this chamber are so bad that I could not hear the hon. gentleman clearly. If he has any doubt as to where he will find me, I may tell him that he will not have long to wait. For the first time since confederation the number of Liberals elected in Nova Scotia was below the double figure. The Liberal party in that province was then annihilated and brought to the lowest depths in its history. I do not think any stronger evidence can be found of the great discontent prevailing in Nova Scotia against the Liberal party than is disclosed in the election returns which I have just given the House.

During the contest the leaders of the two great national parties visited the province. They both brought messages to us, and the vote recorded on October 29 tells how the people were impressed by those messages. The leader of the opposition had a message of hope and cheer for the Maritimes. He recognized the rights of those provinces in confederation. He sympathized with them in their handicaps and trials, and he had concrete proposals to make, enunciating a Canada first policy in connection with all that enters into the life of the country. Mr. Meighen assured the people of the Maritimes that he is with them in all their just demands, and he pointed out at Halifax and elsewhere, that the whole of Canada must share the geographical disadvantages under which we labour. A few days later the Prime Minister came to those provinces and delivered, if I remember correctly, three addresses. I had the privilege of hearing him at one of those meetings ask the now famous question: "What are Maritime rights? Tell us, so that we can deal with them." This, Mr. Speaker, only a few short months after a delegation, 220 strong, consisting of Liberals and Conservatives, had visited Ottawa at their own expense—at enormous expense on the whole—to impress on the government the rights demanded by those provinces. Following the visit of those two leaders, and the definite pronouncements which were made by them, the people voted, and upon that issue alone was the vote polled in that province. It is pleasing indeed, Mr. Speaker, to know that after five years of agitation with other provinces of the Dominion we are receiving sympathy and the expression of a willingness to help us, as has been shown by the addresses here of many hon. members since the House opened. Since coming to this House I have been told by an eminent lawyer that no contractual rights the Maritime provinces enjoyed have been taken away from them. A strict reading of section 145 of the British North America Act might possibly afford some ground for that contention. But while it may be argued that the building of the Intercolonial railway may have been in accordance with the strict letter of the confederation pact it cannot be disputed that it was not in accordance with the spirit of that pact. Now, since some hon. members during the past week have stated

that they were still endeavouring to ascertain the Maritime viewpoint I wish to be permitted to enlarge a little on the question of the confederation pact which was so ably dealt with by the hon. member for Cumberland (Mr. Smith), and other hon. gentlemen from the Maritime provinces. I ask therefore to be permitted to read again section 145 of the British North America Act which is thus worded:

Inasmuch as the provinces of Canada, Nova Scotia and New Brunswick have joined in a declaration the construction of the Intercolonial railway is essential to the consolidation of the union of British North America, and to the assent thereto of Nova Scotia and New Brunswick, and have consequently agreed that provision should be made for its immediate construction by the government of Canada:

Therefore, in order to give effect to that agreement, it shall be the duty of the government and parliament of Canada to provide for the commencement, within six months after the union, of a railway connecting the river St. Lawrence with the city of Halifax in Nova Scotia, and for the construction thereof without intermission, and the completion thereof with all practicable speed.

That is the letter of the confederation pact. Does any hon. gentleman here believe that those great Maritime province men who figured among the Fathers of Confederation would have agreed to enter into that pact with the mere promise that two streaks of steel should be laid from Halifax to the St. Lawrence river, through some five hundred miles of wilderness between Moncton and Quebec?

Now, Mr. Speaker, I desire to demonstrate the spirit of that confederation pact, and I want to read a few of the pledges which were given at the time of confederation. They have not previously been given to this House. The hon. member for Cumberland referred to one speech of Sir George Etienne Cartier. I wish to give a quotation from another of that statesman's speeches. Sir George, who was the leading delegate from Quebec at the conference which decided the union of the provinces of British North America in 1864, and which later resulted in the formation of this Dominion, made a speech at Halifax on September 12, 1864, on the necessity of having Nova Scotia in the union. I want hon. gentlemen to mark that without the consent of Nova Scotia at that time there would have been no confederation to-day. This is what he said, speaking for all the delegates:

I have heard since I have been in Halifax, the objection thrown out that you will be absorbed. It will be very easy for me to dispel such fears. I answer them by a question. Have you any objection to being absorbed in commerce? Halifax through the Intercolonial railway, will be the recipient of trade which now benefits Portland, Boston and New York.

If you are unwilling to do all in your power to bring to a satisfactory consummation this great question, you will force us to send all this trade which you ought to have, through American channels. Will the people of Nova Scotia and New Brunswick be better off because they are not absorbed by commerce or prosperity? It is as evident as the sun shines at noon that when the Intercolonial is built—and, it must necessarily be built if the confederation takes place,—the consequences will be that between Halifax and Liverpool, there will be steamers almost daily, leaving and arriving at the former. In fact it will be a ferry between Halifax and Liverpool. Let me assure you the promises we make in sincerity and good faith—in urging union upon you—we are doing that which will be for your happiness and prosperity.

That, Mr. Speaker, will be found in Whelan's account of the conference, at page 26; the volume is in the library of this building. That speech was sanctioned by all the members of the conference and was officially repeated in all the important cities of the four provinces. Is that not a binding condition of confederation? Is that not a compelling statement?

May I go further and refer to the Speech made by the Hon. George Brown, who spoke at that same conference as follows:

But far in advance of all other advantages would be this, that union of all the provinces would break down all trade barriers between us, and throw open at once to all a combined market of four millions of people. You in the east would send us your fish and your coals and your West India produce, while we would send you in return the flour and the grain and the meats you now buy in Boston and New York.

That will be found in Whelan's account of the conference, at page 36. There, Mr. Speaker, you have a definite pledge that Ontario and Quebec would take our fish and our coal. As I sat in my seat a short time ago listening to hon. members representing colliery towns of Cape Breton asking this government to bring from the province of Nova Scotia three or four carloads of coal per day for the next sixty days, in order to relieve the suffering in those colliery towns, I could not but think of those great men of other days and what they would have thought if they had been sitting in the gallery of this House and had heard the government refuse to carry that coal from Nova Scotia at a rate which another portion of this great Dominion is now enjoying. We have honoured those great men by erecting monuments to their memory, and they stand outside of this House to-day as silent witnesses of those promises made at the time of confederation. The hon. Minister of the Interior (Mr. Stewart) has repeatedly told this House that the government is powerless to lift a hand in order to allow that coal to be moved from Nova Scotia, that the government cannot say a word to the management of the Canadian National railways. I ask you, Mr. Speaker, if that position is a tenable one? I ask the members of this House,

comprising 245 business men from all parts of this Dominion, would any one of you employ a manager to manage your business and you not be permitted to have some say regarding the managing of that business? Again, Sir Leonard Tilley at that same conference said:

The delegates of the lower provinces are not seeking this union.

You will find that at page 84 of Whelan's account of the conference. Sir George Etienne Cartier at a banquet given in 1864 to the conference enlarged on his Halifax speech as follows:

Canada has population and territory sufficient to make a great nation in course of time. But she wants what the Lower Provinces possess—an outlet to the sea. As the Lower Provinces now stand, they are comparatively weak and powerless—and the wealth, labour, and industry which Canada possesses, go, in a great measure to enrich such cities as New York, Boston and Portland. This must continue to be the case until the intercolonial railway, of which we have ever been an advocate, shall be built; and as soon as the Colonies are confederated, the construction of that work will undoubtedly commence.

Later, at Montreal on October the 28th of the same year, at a banquet, he said:

I must repeat to you what I stated while in the Lower Provinces, that while we possessed the personal and the territorial elements which go to constitute a nation, we were wanting in the maritime element. During six months of the year we had to knock at the door of our neighbour in order to carry on our trade. This cannot be tolerated. This confederation must be carried out.

Again:

With our prosperity we are enriching the American states, whereas we ought to be enriching our own states. We ought to be enriching such harbours as St. John and Halifax.

He said that what Canada wanted was an outlet to the sea, which the Maritimes possess. We all know that one of the greatest problems which had to be settled after the conclusion of the Great war was that all the hinterland countries of Europe were demanding corridors to the sea.

I would also like to refer to what Mr. John A., afterwards Sir John A. Macdonald, speaking at Halifax at the same time, said:

I don't hesitate to say that with respect to the Intercolonial railway, it is understood by the people of Canada—

That was Quebec and Ontario:

—that it can only be built as a means of political union for the Colonies. It cannot be denied that the railway, as a commercial enterprise, would be of comparatively little commercial advantage to the people of Canada. Whilst we have the St. Lawrence in summer, and the American ports in time of peace, we have all that is requisite for our purposes. We recognize, however the fact that peace may not always exist, and that we must have some other means of outlet if we do not wish to be cut off from the ocean for some months in the year. We wish to feel greater security—to know that we can have assistance readily in the hour of danger. In the case of a union, this railway must be a national work, and Canada will cheerfully contribute to the utmost extent in order to make that important link without which no political connection can be complete.

That will be found at page 45 of Whelan's account of the conference. I have many other references to what took place in those days, but I shall not weary the House with them. I have quoted enough to show that it was not the laying of two streaks of steel between Halifax and the St. Lawrence river that persuaded those great Maritime men to enter the union. It was those commitments, those sacred pledges, that persuaded them to enter. Those pledges could not be embodied in the British North America Act, but they form a part of the compact just the same. We in the province of Nova Scotia, if we have one thing more than another to boast about, and that we are always boasting about, it is the brainy men we have produced. We have given to this parliament three prime ministers. We have produced more college professors than any other place of its size on the North American continent; in fact, the only thing we are exporting to-day is brains. If these brainy men of the Maritimes of that day drove a hard bargain in regard to having the traffic of this country routed east and west, we must accept it. But we are told that in taking over the Grand Trunk Railway we have taken over their terminals at Portland and elsewhere. In my judgment Canada should not own and operate railways in a foreign country. Its lines in that foreign country should be disposed of, and our own railways made use of, according to the terms of the confederation pact.

4 p.m.

The hon. member for Queens-Lunenburg (Mr. Duff), at very great length, endeavoured to show this House that all our railway ills were brought upon us by the Conservative government. We do not care which government was responsible, but we do know that this Intercolonial, which was dear to the hearts of the Maritime people, has been obliterated; by an order in council passed by this government on the 4th October, 1922, it was taken away from us, attached to a take-over corporation, given another name, and its rate-fixing given to a commission. I submit that no government has the power to change the name of that railway and destroy its identity without our consent or without seeking permission to have the British North America Act repealed. I have searched the records since coming here, and I have been unable

to find that any such petition has been presented to the Imperial throne.

If the British North America Act can be changed by order in council at the will of this government, then we ask that an order in council be issued forthwith restoring to Nova Scotia the twenty-one members we had at the time of confederation. We have fourteen members now, and at the rate we are losing them it will not be very long before we shall have a baker's half dozen. Has the British North America Act, the rock upon which this vast Dominion stands, become a mere scrap of paper? The greatest war this world has ever seen—and we hope the greatest war that we may ever see—was over what was considered a mere scrap of paper. Coming to this House a short time ago I was very much impressed with an inscription over the front entrance of this magnificent building. You have all seen it; it reads:

> The wholesome sea is at her Gates,
> Her Gates both East and West.

Does that inscription, carved deep into those massive stones over the entrance to this building, mean anything, or does it not? Is that province by the sea in the east, that province that is called the long wharf of Canada, to be used only in time of war and forgotten in time of peace? We have never shirked our share of the Canadian burden and never withheld our support from national enterprise. It was loyalty to British traditions and the desire to weld together the separate provinces of the British Dominion that made us eventually subscribe to confederation. When we find that confederation has strengthened the position of other provinces and weakened our own, does true patriotism demand that we should applaud? True patriotism begins at home. We cannot be patriotic Canadians without first being patriotic Nova Scotians. We cannot be patriotic Nova Scotians and not first seek to promote the welfare and the interests of our province. Rather, should we not insist that our provinces receive the benefits from confederation commensurate with those obtained by others? We cannot be expected to love the idea of unity better than our own hearth stones. Nova Scotia is our home. It is the land we love, the land of our fathers, and what a glorious heritage we have as Nova Scotians: wealth of sea, of forest, of mine, of fertile lands, and, better than all, a spiritual heritage from our fathers—God-fearing, thrifty, courageous pioneers. We in turn have accepted the responsibilities of the development which they began, but we are not developing. We are no longer thrifty. That once prosperous part of Canada, we regret to inform the House, is withering up. Many hon. gentlemen who preceded me have shown this House what a happy, contented and prosperous people we were when we became a partner in confederation. After the signing of the pact of 1867—and I do not believe this fact has been presented to this House yet—a petition bearing the signatures of 30,000 Nova Scotians was presented at the foot of the throne, praying that our province be not included in the confederation. Those great men who at that time took the petition to England were asked to return; we were advised to try it, and if it did not work satisfactorily to come back with our grievances. It has not worked out satisfactorily, Mr. Speaker, but we have never gone back. It is now up to this parliament, representing the people of Canada, to say whether we shall go back or not. We know what our rights are, and we may go to the highest authority in the empire to obtain them if necessary.

Is it possible that a question so vital to a portion of the Dominion is to be placed in the hands of a commission, as proposed in the Speech from the Throne? The hon. member for Red Deer (Mr. Speakman) has well said that where a canker exists in any portion of the Dominion it affects the whole Dominion, and it is the duty of the government to seek a remedy. During the sessions of 1924 and 1925 the senior member for Halifax (Mr. Black) warned the government what was going to happen down by the sea if no attention was paid to these warnings. History tells us that Nero fiddled while Rome burned. In the Speech from the Throne we are promised a commission to investigate rights that are already known. Conditions are too serious in those provinces to-day to have such matters as that hung up indefinitely in the hands of a commission. We do not want a commission, we want clear-cut, definite action. We want the repeal of the act which took away from us the Intercolonial railway, we care not what government passed it. The Intercolonial must be restored to its original status and used for the purpose for which it was built. We want to know if the Maritime provinces are partners in confederation or not. No longer are we going to tolerate the spectacle of empty harbours, idle elevators and rusting rails, while the immense trade of Canada is diverted over the territory and through the ports of a foreign country.

The constituency which I have the honour to represent is a railway centre, and hundreds of railwaymen have been driven out of that county on account of the policy inaugurated

during the past few years by this government. Many men who were formerly conductors are now working as brakesmen, engineers have been put back as firemen, and these in turn have driven others out of the service, due to this policy of north and south instead of east and west.

We are told to-day by many that our geographical position is against us, but our geography is the same to-day as it was at the time those sacred commitments were made. We are pleased indeed—and I referred to this before—to hear so many expressions of sympathy from all portions of this House. We have already been invited by the Progressive group to join them in caucus and we have done so in order that they may be able better to understand our difficulties. I believe also we shall have the support of hon. members from that great province of Quebec, separated as we are by an invisible line, and knowing that what will benefit us will in like measure benefit them. I was pleased to hear the kind words expressed by you, Sir, in reference to Maritime matters a few days ago at a luncheon given by you, which I had the honour and privilege of attending. I can assure you that Maritime men who were present on that occasion were deeply moved by the sympathetic words expressed by you, and I for one wish that your voice could be heard to-day on the other side of this House.

At a meeting recently held in the city of Montreal, of the Shoe Manufacturers' Association, the Hon. L. A. Taschereau, Premier of Quebec, spoke as follows:

> "I believe," says Premier Taschereau, "every Canadian, whether he be in British Columbia, or Quebec, or Ontario, should join with the Martime provinces to give them what is necessary for them to live and thrive. They need cheap transportation. That perhaps was not the letter of the confederation pact, but it certainly was the spirit when the Intercolonial railway was built. Speaking as a Canadian, as a citizen of the province of Quebec, I have no hesitation in saying that it is the duty of those who govern Canada today to see that this important part of Canada (the Maritimes) is looked after and is satisfied."

Premier Taschereau thus gives a straightforward endorsement of the principal Maritime claims. He presents the issue to the Dominion government as one calling for action, thus seconding with all the weight attaching to his position, the decision of the Winnipeg conference, which called upon Ottawa to take whatever measures are necessary to place the Maritimes on all fours with the other provinces as regards opportunity for advancement, and a fair share of the benefits flowing from national policies and membership in the Canadian family.

The hon. member for Queens-Lunenburg (Mr. Duff) some days ago endeavoured to show that the Conservative party between 1911 and 1921 had done nothing for the Maritimes and that all that had been done was done by the Liberals. It seems very strange that with the record of the two parties before the people in the recent election, the Liberal party should have been annihilated. The people of those provinces are not easily hoodwinked by false propaganda. I also wish to call the hon. member's attention to the fact that the Intercolonial railway was made a part of the Canadian National Railways on January 29, 1923, by an order in council passed on the fourth day of October, 1922. This order in council reads as follows:

> That the Canadian National Railway Company has been brought into existence by virtue of an order in council passed the fourth day of October, 1922, whereby certain persons were nominated directors of the company.

Note the date—October 4, 1922.

> That it is expedient to terminate the authority of said persons to act as general manager of the Canadian National Railways and to trust in lieu thereof the management and operation of the said railways to the company.

That is the record of how the Intercolonial railway as a unit of the Canadian National Railways was placed in the Canadian National Railway Company. That is the manner in which the King government by formal action alienated the control of the Intercolonial from the people of the Maritimes and placed that control in the hands of the Canadian National corporation, the president and directors of which dismembered the Intercolonial and gave the most profitable part of it over to the central region which they formed. When the King government came into power in 1921, the Canadian Government Railways, including the Intercolonial, were subject to the control of the responsible department. The Board of Railway Commissioners at that time had actually no power to fix rates on the Intercolonial, but in January, 1923, the King government made the Intercolonial a portion of the Canadian National railway system under the control of the corporation of which it was made a part. The hon. member for Queens-Lunenburg complains that the Conservative party was the originator of all our railway wrongs which appear to trouble him. Supposing, for the sake of argument, that that were admitted; what about the King government condoning those wrongs for four long years? Why did not some member of that eminent body of Nova Scotians known as the "solid sixteen" stand up for Nova Scotia rights in 1923 and tell the Prime Minister, when his order in council was in the making —"it shall not pass."

The hon. senior member for Halifax has referred to the statement of the hon. member for Queens-Lunenburg that the talk about Maritime rights was nothing but Tory propaganda. I think it was the hon. member for Welland (Mr. Pettit) who asked the question: If it was Tory propaganda, why was the appointment of a royal commission mentioned in the Speech from the Throne? I do not think the hon. member for Queens-Lunenburg, if I remember correctly, answered that question. If this is Tory propaganda, so-called, I want briefly to refer to a manifesto issued to the electors of Nova Scotia prior to the provincial election in that province in June, 1925. This manifesto was issued by Premier Armstrong, then Liberal premier of that province, on the 6th day of June, 1925. Let me read that portion having reference to Maritime rights. He said:

> The government is pledged and determined to have the grievances of our province in its relation to the Dominion, removed, and all its just claims conceded—ascertained by adequate inquiry, as prepared and presented. I shall be able to secure favourable consideration for it from the present government and parliament of Canada.

Again on the 25th day of June, the morning of the election, there appeared the following in heavy type in the Morning Chronicle:

> So I appeal to Nova Scotians to stand shoulder to shoulder on this issue of supreme importance and to join with me in demanding from the federal government and parliament, prompt and adequate redress of wrongs that have far too long been endured.

And so on. If the hon. member for Queens-Lunenburg calls Maritime rights Tory propaganda, what, may I say, does he call this manifesto issued by the Premier of Nova Scotia during that contest in June last?

The hon. member for Queens-Lunenburg also referred to a Tory senator having moved a woollen mill from Amherst to Truro. I knew the statement was incorrect at the time but I do not approve of interrupting any member who has the floor. However I have a thorough knowledge of every factory and business firm in the town of Truro and I knew that no such thing happened. The Stanfields acquired the woollen mills at Amherst and ran them successfully for a number of years until the Liberal government came into power in 1921 and began tinkering with the tariff. At that time the company employed 200 men while to-day there are two employed, a night and a day watchman. This statement can be verified by the hon. member for Cumberland (Mr. Smith), and the fact is known to everyone from the Maritime provinces If the hon. member for Queens-Lunenburg wishes to try his future at making cloth I can guarantee him that he will be able to buy this plant at a very low figure. The great firm of Stanfields' is a household word throughout Canada from the Yukon to Sydney and it appears in practically every wardrobe in this country. That industry during the last year has been running four days a week, the first time in its history that this has been necessary; and not only has it been operating four days a week but it has been employing from 150 to 200 hands fewer than in former years.

Some hon. member made the statement in this House the other day that we from the Maritime provinces were not here as suppliants asking for alms. That is well put; we do not ask for anything to which we are not entitled. We ask, nay we demand, a fulfilment of the pledges of confederation, the promises which constitute the unwritten terms of the British North America Act, promises which form an integral and essential part of the pact, whether they were embodied in the act or not. I have been asked by some of my friends, what do the Maritime provinces want? I answer that we want to be able to sell our products to the people to whom under confederation we should be able to sell, the central provinces of Canada. I think it was the hon. member for Lisgar (Mr. Brown) who a few evenings ago said that he was endeavouring to get the Maritime point of view. He said:

> I have been honestly anxious to get the Maritime point of view. . . . I would like to concede to them a right for which the members at present representing the Maritime provinces seem to have made no demand, namely, the right to trade more freely with the world. I think if they would recognize that right and assert it, we in the west would be willing to concede it, to them, and that would go a very long way towards solving their difficulties.

The hon. member for Lisgar is very magnanimous; he is ready to supply us with a remedy for a grievance which he thinks we ought to have, in addition to those we have already stated to the House and the country.

Let it be understood that we in Nova Scotia have no objection to better trading terms with the rest of the world. But in view of the fact that all other nations practically have raised their tariff against us, how in the name of common sense can we, lowering ours still further, trade with the rest of the world? The hon. gentleman must remember that a solid sixteen from Nova Scotia were sent here on Maritime rights in 1921 and the result of their four years' effort was merely to raise the cry suggested by the hon. member for Lisgar. It is hard to understand his willingness to offer us something our people turned down when they defeated all but three of the solid sixteen from Nova Scotia.

There are in my judgment two fundamental requirements to meet the Maritime situation: first, Quebec and Ontario should be a market for our coal, steel, fish and other products which we can sell in those provinces; and secondly, the export and import trade of Canada should be made to flow east and west on the Canadian side of the line. It is not many years ago since the people of Vancouver decided that their claim should be recognized for a port there for the shipping of grain. Many members no doubt recall the great difficulty which the people of that city had in securing for the port of Vancouver the necessary terminal facilities for the handling of grain. When the hon. member for Vancouver Centre (Mr. Stevens) finally succeeded in getting the first modern grain elevator constructed there, it was christened "Stevens' Folly". Railway officials said that grain bottoms would never go to Vancouver for wheat. But within one year from the construction of "Stevens' Folly" the people there had the happy experience of seeing from twenty-five to thirty ships waiting in the harbour to load up at the elevator. That is only a few years ago and millions of bushels are now pouring through that port. I was informed the other day that in one year 51,000,000 bushels had been shipped through that elevator, and the result is that the city is forging ahead by leaps and bounds and its people are enjoying an era of great prosperity. The same result can be accomplished in Halifax. Within three years we can have millions of bushels pour in through that port every month and Halifax harbour can be made the terminus of a great shipping fleet plying between this port and Great Britain. There is to-day a great and widespread national sympathy with the claims of Maritime Canada. This portion of the Dominion has broken down the walls of its isolation and has emerged as a partner in confederation. On the floor of the Winnipeg conference Maritime rights was the greatest topic of discussion; the Maritimes held the centre of the national stage. Such Dominion-wide recognition as this has put heart into our leaders in the Maritime provinces.

Canada has invested something like two billion dollars in railways running east and west. These were built to keep Canadian traffic in Canada, to develop trade with the empire and to build up the seaports of Canada. Deficits of from fifty to seventy millions a year is the price being paid for that idea. Yet here we have the stark fact that notwithstanding this colossal investment, Canadian traffic is not being kept in Canada. The traffic that should be going over our own railways, helping to build up our own ports, is prospering ports under a foreign flag.

In 1918 the old elevator at Halifax handled 4,700,000 bushels of grain; in 1919, 3,825,000. The new one could easily handle from eight to ten million bushels in the next few months. I wish to give the government credit for that magnificent elevator. If you tell us that the facilities there are not sufficient to handle more than one steamer at a time, we say: Give us better facilities. We have one of the finest harbours in the world. We are two days nearer Europe than the American ports. We can carry grain from that port—and the senior member for Halifax (Mr. Black) will bear me out—at two cents per bushel less than from Portland and other American ports. The parliament and government of Canada and the Canadian National Railway authorities are bound by the statutes of the country to route Canadian traffic over our own territory and through our own ports.

Five years ago, four years ago, to mention Maritime rights was to provoke a storm of disapproval throughout the country. Maritime rights were thought to be merely a sectional agitation, and people in other parts of the Dominion said so. But that is all changed to-day. The Dominion is built upon the national policy of east and west traffic and trade. To reverse that policy and abandon that principle would lead to the disintegration of confederation. That policy, Mr. Speaker, is being reversed. The east and west principle is being abandoned. If this reversal and abandonment is persisted in it will surely force the Maritimes away from the rest of the Dominion. That is as certain as that the sun will rise to-morrow.

The Maritime movement is not a secession movement; it is the very antithesis. It is a great movement, having for its object the betterment of Maritime conditions and therefore closer union of all parts of the Dominion.

In conclusion, Mr. Speaker, I wish to say that so far as our ports are concerned and the recovery of traffic now so largely diverted to American channels, this parliament is bound to recognize that this is a national rather than merely a Maritime province issue. East and west there is a strong and growing sentiment—immensely stronger the past few months, and I am afraid much stronger since we left the Maritimes some seven weeks ago —demanding the keeping of the pledges given and, indeed, the contracts made when the Grand Trunk Pacific, the Transcontinental and the Canadian Northern were built. We are in earnest in endeavouring to lay these

matters before parliament. The hon. member for Cape Breton South (Mr. MacDonald) last night tried to bring home to the House the gravity of the conditions in Nova Scotia, to contradict the assertion that the voicing of Maritime grievances is not Tory propaganda. We are striving to convince hon. members of the seriousness of the situation, and we hope the House will not entrust this matter to a royal commission. We want parliamentary action.

I say in all seriousness, Sir, and with all the emphasis at my command, that if the unwritten letter of the confederation pact cannot be carried out—which would make us a prosperous partner of the Dominion—then no objection can be raised to permitting us to deal with whoever we can, relieved of the restrictions which now surround us in this regard.

Mr. W. A. BOYS (North Simcoe): Mr. Speaker, may I claim the indulgence of the House for but a few moments and for two definite purposes? It is not my intention to take part, at this juncture at all events, in the discussion of the general topics which have been engaging the attention of the House for some time, but to deal in the first place with an article which appeared in the Toronto Star this week; and in the second place to have a word or two to say regarding the question of so-called obstruction in the House by this party.

It perhaps is usual for whips to be seen and not heard, and having not infrequently to restrain utterances on both sides of the House, it is well that they should not themselves be loquacious, but I feel the matters I am about to deal with warrant the breaking of that rule so far as I am concerned. On Saturday last an article appeared in the Toronto Star intimating that from fifteen to twenty members of this party in the province of Ontario were ready for open revolt. I saw the article, but, like many other things I see in the Toronto Star, I felt it was unworthy of attention. But when last Tuesday I found upon the front page in glaring headlines and occupying about three columns of that paper a repetition of the thought in exaggerated form, I felt as whip of the party, knowing something of its membership and of the feeling of its members in the House of Commons, that I should not let the article go unchallenged. I do not intend for one moment, Mr. Speaker, to weary the House by reading the article in full. I shall content myself with a few quotations, and in regard to these I shall have a few observations to make. The article is headed:

[Mr. MacNutt.]

Prominent Tories fan the flames of revolt against party leader.

Many Ontario members would desert Meighen if another leader was seen.

Talk of corridors.

Then comes the article:

Special to the Star by a staff reporter.

Ottawa, February 23.—There is many a rift in the Conservative lute at Ottawa. . . .

It may soon be that those who are unflinchingly loyal to Mr. Meighen's leadership will be no more than a corporal's guard. This grave disaffection in the Conservative ranks is the talk of the corridors. The advent of Mr. Dunning is like the arrival of Blucher at Waterloo, and many Conservatives, chagrined at seeing their mirage of victory recede, do not hesitate to grumble openly. One anti-Meighen man said yesterday: "There are at least twenty-five Ontario members who would "rat" from Meighen at a moment's notice if they had anybody to "rat" to. Two prominent Conservative members went down to Toronto the other day to fan the flames of revolt."

I observe that the article comes from the pen of a "staff reporter". I think I know who he is, Mr. Speaker, and if my information is correct, I want at once to say that he is not a member of the press gallery. My knowledge of the members of the press gallery would lead me to the conclusion that there is not one of them who would be guilty of the scurrilous and malicious article containing the references which I have quoted. And I think I may say, Sir, that there is not a member of the House on the Liberal side or in the Progressive ranks who would subscribe to one item or one tittle of what I have just quoted.

I give a flat denial to these two particular statements: That one member said, "At least twenty-five Ontario members would 'rat' Meighen." No Conservative nor in my opinion any other member ever made such a statement. I give an equally flat denial to the statement that two members of this party went to the city of Toronto, there to fan the flames of revolt against our leader. I say again, Sir, that as whip of this party and mingling with the members in the present House as in the last, there is not the slightest doubt but that there is absolute unity and solidarity in that party behind our leader. This is no flattery. This admiration, this esteem, is born of the indomitable courage, the indefatigable efforts, the outstanding and conspicuous ability displayed by the right hon. gentleman ever since he became our leader. The article in question can only be characterized as absolutely malicious, scurrilous and slanderous, and without the slightest foundation and this is known to every member of the House regardless of party. Hon. gentlemen who sit opposite may not agree with our leader, they may not agree with the policies he advocates, but I venture to say there is not

one of them who does not know full well from what he has seen in this House that we on this side are absolutely behind him.

Sir, concluding what I have to say on this point, I desire to make one or two other observations. Those of us who were in the last parliament recall the severe defeat that our party suffered at the general election in 1921, when we assembled here, a small group of fifty. We remember the conspicuous efforts and ability and the unvarying courage displayed by our leader during the four years which followed; and when we recall those experiences and reflect on what took place on October 29 last, we see the vindication of the efforts of our leader during those years. I could go on, Mr. Speaker, dilating with the greatest ease upon the acknowledged capacity of our leader, but I do not think repetition will make the case any stronger. I can only say that everything I have said I believe to be the truth; and I am convinced that the opinion I have expressed here, so far as our loyalty to our leader is concerned, is shared by every fair-minded member of the House.

We have heard something about obstruction. I should like, Sir, to put the position of this party in that connection as definitely and clearly as I can before this House and the country. Some members of the government seem to think they are offering to the country some excuse for the utter helplessness of their position by attributing it to what they call obstruction on the part of the opposition. A moment's thought will make obvious the absurdity of such a claim. Surely there cannot be obstruction unless something is being obstructed. What then is being obstructed? What is there requiring the attention of the House at the present time? Nothing in the world except the completion of the existing debate, and the thought of an adjournment with a holiday.

As plainly stated in an interview given by the leader of the opposition on the 18th instant, this party is continuing the present debate for two purposes. First, in order that the House may be in session to support and make effective the very important work of the committee investigating customs charges and, second, to enable discussion, which must in any event take place at some time, to be disposed of. As an instance I might mention the presentation of the case for the Maritime provinces, which has been so ably put forward by the member who has just taken his seat (Mr. MacNutt) and by other members from those provinces on this side of the House. It is idle and useless to try to persuade the people of Canada, and especially those of the Maritimes, that this work is not better than wasting our time on a holiday.

Just as soon as the government demonstrate that they are ready to proceed with business, we are ready to proceed as well. As indicated in the speech delivered by the member for St. Lawrence-St. George (Mr. Cahan) as long ago as the 17th instant, we are not anxious to delay, but rather anxious to proceed, to deal with any business the government can propose. Let the government abandon the fatuous idea of an adjournment to which they have not now and never had any right, and they will find us prepared to proceed at once from this debate to other business of more importance. In that way we will stand by and strengthen with the arm of parliament the committee of investigation which is carrying now so large a share of the work of this House, and in that way as well we will show the country that we mean to work, and do not mean to be drawing our indemnities when merely marking time. The government therefore have the solution in their own hands.

To that, Sir, I should like to add another observation or two. If the Prime Minister had been particularly anxious to secure a seat and to take his place in this House, I think he could have done so long ago. We are led to believe that he may be here next week. I do not know myself when he will be entitled to take his seat; I have heard next Wednesday or next Thursday. I want to say that as far as we are concerned we propose to continue the discussion in connection with this debate until the Prime Minister takes his seat in the House and gives hon. members some business to do on behalf of the country. We will not ask him to do that the first day he arrives; we will give him one, two or three days if he wants to make up his mind and bring down his legislation. If at the end of that time he has no legislation to offer the House for its attention we are prepared then, upon receiving that admission, to consent to an adjournment.

Mr. LAPOINTE: Some statesmanship.

Mr. J. H. HARRIS (Toronto-Scarborough): Mr. Speaker, in rising to address a few remarks to the House I would be remiss in my duty, perhaps, if I did not say something to you, Sir, commendatory of the great example you have set to the younger members. First of all, in order to make the Liberal party understand that the rank and file of our party—in fact its entire membership—want to get down to business I will just add the word "amen" to all the tributes that have been paid to you, Mr. Speaker.

With regard to the tribute paid to our leader by the whip of this party some few moments ago, let me say that in the opinion of the people of the constituency from which I come Arthur Meighen stands on a pedestal which will never be reached by anyone else in our day and generation. On every platform in the city of Toronto and throughout the province of Ontario where it was my pleasure to address an audience, one of my first remarks, Sir, was that at the head of the Conservative party we had leadership of which we were mighty proud, and whenever I expressed that sentiment, at all my meetings, ranging from little groups of a dozen to one that I recall on convention night numbering some 1,200, I heard from all quarters of the hall a mighty hurrah and hear, hear, for the leadership of the Right Hon. Arthur Meighen. But, Mr. Speaker, in contrast to that, let me draw the attention of the House just for a moment to what happened down in my constituency when the name of the Right Hon. William Lyon Mackenzie King was mentioned to an audience. Not quite so good. Mr. Speaker, my constituents have no confidence in the Right Hon. William Lyon Mackenzie King. My constituents have no confidence in this Liberal administration, they demonstrated that not very long ago, and the degree to which it was demonstrated might be reviewed for just a moment.

I will ask the members of this assembly to go with me back to the days of 1921, when the Conservative party were not just as strongly in favour with the people of Canada as they are to-day. I had a very large constituency then known as East York, a constituency which gave to this Dominion some years ago a Liberal Prime Minister in Alexander Mackenze, a constituency which in 1921 gave to me the largest Conservative majority in Canada, and that majority only 6,500. But, Mr. Speaker, after four years of administration by the Liberal party, after four years of observation of their actions in this House of Commons and of their want of public policy, that constituency although it had been annihilated by redistribution, still had a remnant left in about its centre which I contested in the last election, and that remnant which was changed in name, changed in boundary, and reduced in numbers to perhaps about one-half, gave to me a majority of 14,500. I do not say that in any bragging sense, because I am not a politician, I hope; I am just an ordinary kind of business man, but I want to say that if the boundary line of East York constituency had been left where it was in 1921, instead of having a majority of 14,500, I might have had 20,000, and if you go to the country this June I will have 30,000. The reason for that jump is that not far away from where I live, at Richmond Hill, there was a speech made on the 6th of September last, wherein William Lyon Mackenzie King, the hon. Prime Minister of this country, said: "We possess the confidence of this country to a degree greater than when we took office." He got an answer on October 29th, but not being satisfied with that answer he suggested that we who also got our answer on the 29th of October should come here and decide what then should be done. If, Mr. Speaker, the Liberal party had come to this House of Commons and had enunciated in the Speech from the Throne what they enunciated throughout the length and breadth of this country as their policy—with the exception of the war with Turkey; I do not think that should be in the Speech from the Throne—if that policy as outlined in the Speech from the Throne had been in accordance with what they enunciated during the campaign to the people of Canada, instead of being, as it is, a handout to the Progressive party, the probability is that I for one would not have taken any of the time of this assembly on this particular occasion. But as it is, Sir, I am justified in saying a few words, in explanation perhaps to my constituency, which will let me out, as it were, for expressing my viewpoint on this occasion.

The government has brought down a Speech from the Throne in which are mentioned matters which were being asked for by the membership of the Progressive party. Then in a subsequent amendment to the Speech from the Throne the government made certain concessions to those members of this House who are known as Independents, those members who usually sit on the cross-benches—and I wish they were in their seats because I have something to say to them. I remember the hon. member for Nanaimo (Mr. Dickie) saying to me the first session I was here, when we were talking about mankind in general and certain men in particular, "Beware of any man that wears a No. 6 hat." He said, "If you will examine into humanity of all kinds, you will find and phrenologists will tell you that the man who wears a No. 6 hat has probably got his brain a little warped." I am not suggesting that the members who sit along the cross-benches over there are warped in their brains at all, but I sometimes think their judgment is badly warped, and when I see in this chamber the statesmanlike look of that hon. gentleman from Labelle (Mr. Bourassa), when I behold him strutting up and down this hall, I do not know for

5 p.m.

whose edification unless it be for the edification of the Fourth Estate, represented by the press gallery, and perhaps the Fifth Estate, the public galleries in this House. And when I think of his attitudes and his meanderings around this chamber I often think our friends of the Fourth and Fifth Estates in the galleries here must be glad that there are guards on the door in the event of our all taking to that kind of fox-like movement around the chamber. But I have got away, Mr. Speaker, from what was on my mind.

This Liberal party which was condemned at the polls told the people of Canada that they were going to meet parliament; and had they met parliament fairly and honestly they would have got their decision. But when it came to getting a straight want of confidence motion before this House by our leader, the words were so twisted by the hon. Minister of Customs (Mr. Boivin) to make our friends of the Progressive party believe that it was not a want of confidence motion at all, that in the final analysis we found them using that excuse to keep this remnant of a government in power. To my mind, Sir, that is a straight case of this Liberal administration flouting the will of parliament. First, they flouted the will of the people when they did not resign on October 29th, or shortly thereafter, and now in their Speech from the Throne they have flouted the will of parliament.

Our friends the Progressives, by reason of the fact that in their constitutional platform they want some of these handouts which are mentioned in the Speech from the Throne, find themselves unable to be honest with themselves, unable to be conscientious, but, thinking of their constituents, and considering the possibilities of coming back here again, they think they had better accept the lesser of the two evils and keep this party in power. We were told by the Prime Minister in that speech of September 6th, or whatever the date was, that with a majority of one they could not carry on and could not solve the great national problems which are to-day waiting for solution in this country. I say to these hon. gentlemen: How are you going to do it with a minority of fifteen? You are fifteen times worse off to-day than you were at that time, and you do not know it. But you are going to wake up some of these days; when public opinion gets roused to a certain pitch, you will find you can no longer remain in the seats which you now occupy and then you will realize that it is time to get out, but you ought to know it now. If the Liberal party want to remain as a party in my lifetime, and to again come into power, the best thing they can do now is to square themselves with the people and resign. That is my opinion and the opinion of a great number of people in Canada. If with a majority of one and a bloc of sixty-odd to help them when they needed assistance, they could not perform the executive or legislative duties demanded of them by the country in the four years gone by, much less can they do it now, in my opinion.

The Speech from the Throne has been enlarged upon by several members of the government and that is the reason why I wish to say a few words in regard to it. It has been enlarged upon by the Minister of Agriculture (Mr. Motherwell) and I am glad he is here. I am going to say something nice about the Minister of Public Works (Mr. King) in a few moments and I hope he will come into the chamber. The Minister of Agriculture discussed the Speech from the Throne. He spoke about railways, and if I remember correctly he said, "Sure we gave Quebec five million for a harbour, gave Montreal a large sum for a fine bridge, gave the city of Toronto a viaduct, and we are going to give it a Canadian National Railways building at the corner of King and Yonge streets. Now come on you chaps and be fair with us; give us the Hudson Bay railway." That is the idea of the Minister of Agriculture—give them public works. The Minister of Public Works was not so very far behind when he spoke about the gift of potato houses down in St. John.

I am going to give a few of the reasons why I am satisfied that the lack, on the part of the Liberal administration, of a policy for the solution of the problems which are pressing on the people of Canada to-day, accounts in a large measure for the present condition of the government. I will also give a few reasons why any policy that they may enunciate will not prove a success, but will result in failure and will be of no benefit to the country. I take for my cue in that connection words which, one or two evenings ago, fell from the lips of the Minister of Public Works. He said "Why, the Tory party are becoming greatly enamoured of the people of the United States." I hesitate to compare our people with the people of the United States. I hesitate to laud the people of the United States, because I feel that on the whole we have a far better race of people on this side of the boundary line than they have on the other side. I feel that we have better opportunities in practically every field of activity in Canada than they have in the States. But he says

the Tory party is becoming enamoured of the people of the United States. Perhaps they have pretty good reason to be, if we look back over the last thirty-five years, and take notice of all the Canadians who have gathered together their flocks and herds and everything belonging to them and gone over to the States. We will probably find as many Canadians in the United States to-day as we have in Canada, and that fact is worrying the people in the constituency from which I come. Why is that the case? One reason why such a condition exists is that God did not make all men alike. All of us do not want to go to Saskatchewan to work in the wheat fields; some of us desire to engage in other vocations than that of farming. There are many of us who do not want to grow wheat or other grain, and there are those of us who do not want to go into the bowels of the earth to bring forth ferrous and non-ferrous metals. Some of us want to attend a technical school perhaps, to obtain an education such as we can get in Canada—thanks to our excellent educational institutions—so that we may be fitted to earn a livelihood. But under the policy enunciated by the Liberal party, we find we have to go into the field of larger activity in the country to the south of us, to find our vocation, and that has been the history of Canada since confederation under Liberal administration. There is one feature which appeals to me when I read the policy of the Conservative party and that is that that policy is calculated to make work for the miners, the labourers, farmers and people of all the different classes.

With regard to the imports and exports of Canada, the Minister of Public Works said, "Some people would say it was unhealthy to have a favourable trade balance". That is not correct. A favourable trade balance is a very healthy sign, but that trade balance must not be the result of the exportation from this country of raw materials, which do not embody the handicraft of the artisans of our country. If we have a favourable trade balance from the export of manufacturers, I would say that that was a healthy condition for Canada. But Mr. Speaker, take the records of the last few years and see what they disclose. Take one commodity by which, in the preceding generation, the trade of the country was measured, the commodity of iron. I have here the figures of the importations into this country of iron in the raw state; that is iron ore and metals which constitute the raw material with which the men and women of Canada work to produce manufactured goods. We find the importations of the raw materials were 39 per cent of the total imports for the calendar year 1923; 33 per cent for 1924, and then in 1925 they dropped to 29 per cent. The exact figures are as follows:

Imported into Canada for Consumption

Commodities	Twelve months ended December 1923	1924	1925
Iron, total .. .. ..$	173,720,299	137,979,471	156,573,076
Ore .. ..ton	1,972,094	912,740	1,037,225
$	5,765,413	2,345,038	2,015,580
Pigs, ingots, etc. ..$	2,450,605	1,969,661	1,551,783
Rolling mill products n.o.p...	50,866,319	36,391,019	38,006,810
Tubes, pipes and fittings	4,146,738	2,624,013	3,142,701
Wire..	4,061,777	2,843,726	2,648,403
	67,290,852	46,173,457	47,365,277
Raw material imported	39%	33⅓%	28%

There is a drop in the importation of raw material. But what have we to say about the Liberal policy, and what is happening to imports and exports in this country when we come to the manufactured goods? Of manufactured goods, engines, boilers and so on, our importations were:

Imported into Canada for Consumption

Commodities	Twelve months ended December 1923	1924	1925
Engines and boilers...$	8,137,435	7,440,989	11,603,174
Farm implements.. ..$	11,893,646	6,585,750	11,234,839
Hardware and cutlery.$	3,876,183	3,262,944	3,369,937
Machinery.. .. .. ..$	28,724,664	25,470,872	30,158,936
Tools.. .. ..$	1,916,229	1,664,065	1,912,204
Vehicles, total.. .. ..$	29,535,104	26,606,764	36,416,906
Autos, freight .. ..No.	1,355	957	1,146
$	1,879,574	1,438,666	1,693,369
Autos, passenger ...No	10,467	8,344	13,486
$	10,447,045	8,202,643	12,855,940
Auto parts.. .. .. ..$	15,047,633	15,173,108	20,690,989

These importations represent work done by foreign artisans, and I make a plea this afternoon for the 60,000 people in my riding who have found work in the shops and factories of the city of Toronto close by. I see a few of the Saskatchewan members in their seats, and I ask them to bear with me when I put to them fairly and frankly this question: Is it not far better that importations of engines and boilers, which in 1923 amounted to $8,000,000 worth, should drop to $4,000,000 rather than rise to $12,000,000 as they have done in the last three years? Does not the difference between those two items mean work for the people of Canada? We are willing to do something for Saskatchewan; we are willing to do something for Nova Scotia; we are willing to do something for any of those people who are asking for free trade; but let them give us a fair deal. We want work for our people. Let me tell the members from Saskatchewan something and particularly the Prime Minister who is about to represent the constituency of Prince Albert. It is not many years ago when single men were very much in the majority in Saskatchewan; but

now you are becoming a little more civilized or up-to-date; you have got a wife; before you are much older, you will have a family and before a generation passes you will find, as I said before, that God did not make everybody alike. You will find some of your children wanting not to grow wheat, but to start some kind of a factory in order to make something for the rest of the people unless they migrate to the United States or some other country where these goods are made for them. It is not very many years ago when Ontario had a population of only 750,000, but the people did not pay all their attention to growing wheat, although they can grow as fine wheat as can be grown out in the west; they diverted their attention to other lines of activity. If you want a uniform, united race of people on this northern hemisphere, one way to bring that about is to establish factories, not only in Ontario and Quebec, but out in the west. If you do not establish them, you are going to have a great deal of trouble building up a united race of people working in all kinds of occupations throughout the whole of Canada.

From 1923 to 1925, importations of machinery jumped from $28,000,000 to $30,000,000 and automobile parts from $15,000,000 to $20,000,000 worth. That is taking work away from our people and it is not a healthy condition for Canada. This condition of affairs does not exist merely in regard to the ferrous metals; the same situation prevails in regard to the non-ferrous metal group. For the information of hon. members, I should like to place on Hansard this table showing the importations of raw materials:

Importations of raw materials (Non-ferrous metals)

	1920	1921	1922	1923	1924	1925
Aluminum..	$ 2,105,979	$ 2,566,015	$ 863,291	$ 1,978,583	$ 2,731,442	$ 2,913,948
Brass..	227,317	663,468	144,142	256,206	183,489	299,017
Copper..	8,168,955	8,961,014	2,509,978	5,928,247	7,648,486	5,540,611
Lead..	765,086	2,080,243	99,754	212,410	144,615	83,892
Nickel bars, ingots..	240,565	257,043	90,935	318,293	230,399	175,546
Silver bars, ingots, sheets, platinum..	5,119,812	2,284,311	1,277,257	1,318,205	1,596,179	1,654,996
Zinc..	783,241	489,281	353,457	406,583	396,145	357,512
Tin..	3,143,048	2,869,732	1,267,812	1,787,840	2,129,243	2,546,318
Totals..	$20,554,003	$20,171,107	$6,606,626	$12,206,367	$15,059,998	$13,571,840

These are raw materials used by our artisans to make into finished products for the people of Canada, and this shows that they are being imported in a lesser degree as one year succeeds another while this administration stays in power. Hon. gentlemen may be surprised to learn that we have to import wood in the raw state, but there are some grades of wood which we have to import. I will ask hon. members to put side by side, wood manufactured and wood in the raw state coming into this country and they will find that while the grand total is about the same, the condition as regards dollars and cents is reversed.

Commodities imported into Canada

	Twelve months ended December		
	1923	1924	1925
Wood, unmfd., total..	$11,850,818	$9,954,608	$9,751,676
Wood, mfd., total.. .	7,756,688	7,795,353	8,448,319

This means that every time the United States or any other country imports an increased quantity of raw material, it imports an increased quantity of man power to manufacture that raw material into finished goods.

Mr. EVANS: Would the hon. member be in favour of placing a duty on raw material that can be produced in this country and abolishing the drawback?

Mr. HARRIS: If the hon. gentleman would put that into two questions, I would answer them. I do not know why the string of the drawback should be attached to the other question, but I know if an export duty on raw material would provide work for more people in this country, I would be the first one to be in favour of it.

I should like to discuss the export side of this picture. I have shown that while imports of raw materials have decreased, imports of finished goods have increased, although the grand total is about the same. Imports of that material which means work for our people have decreased and imports of that material which drives our people out of employment have increased. On the other side of the picture we find that in 1925 exports of goods manufactured of iron are about the same as in 1923, but exports of some manufactured goods have decreased considerably. When I look at this government, although there is not much to look at just now, it always seems to be a sort of treaty-making government. The treaty-making portion of it is not in the House at the present time.

I was interested to hear the Minister of Public Works say something about New Zea-

land extending a very substantial preference on many important Canadian products. Among them he mentioned wrought iron tubing with a preference of 20 per cent, wire with a preference of 10 per cent and so on. In conjunction with that, it is interesting to note that the policy which is being pursued by the Liberal party has had this effect on the industry which makes tubing pipe and wire. Whereas an amount of $2,000,000 worth of tubing and pipe was exported in 1923, that has dropped to $1,400,000 in two short years. In the case of wire, the exports in 1923 amounted to $2,117,000, and in spite of this great New Zealand preference that we are getting the exports have dropped to $1,041,000. So much for exports of iron in the manufactured state. We have had a great increase in exports in some other lines, and in almost every instance a study of the situation will reveal that the increase in exports is the product of those workers who go down into the bowels of the earth and bring to the surface our wealth in nickel, gold, silver, copper and the other non-ferrous metals. It is nice to have these people in Canada to make more consumers for our foodstuffs, but hon. gentlemen from the northern part of this country will proably bear me out when I say that if you go down into the mines you will find the majority of those people not speaking our native language and not Anglo-Saxons. I suppose if we consider them as so much milk put into the churn, some day they will come out as cheese, but it is not good Canadian cheese. They are not just the people we want to have in this country. We need to have them to consume what we produce, but we want others besides. We want to provide work in this country for the artisans who are waiting to take hold of the raw material that is produced from the earth and to convert that raw material into the finished product. Now the exports have increased and we are glad to note this fact, but the increase has been largely in raw material. I have some figures here which I shall ask the permission of the House to put on Hansard without my going to the trouble to read them, so that they will be available to any hon. member who is interested in these statistics. I know they are interesting to my constituents, and it is just as well for us to have these figures on record.

Exports of raw materials (Non-ferrous metals)

	1920	1921	1922	1923	1924	1925
Aluminum	$ 5,680,871	$ 4,417,999	$ 1,188,808	$ 2,506,182	$ 3,225,479	$ 5,135,366
Copper	12,973,464	12,748,082	5,853,819	7,328,574	11,204,615	12,095,478
Lead	1,193,14[illegible]	525,656	1,718,967	2,366,467	3,961,202	10,368,130
Nickel	9,039,22[illegible]	5,405,29[illegible]	2,689,70[illegible]	8,880,64[illegible]	9,388,511	10,174,245
Gold silver	20,539,005	14,548,566	11,526,593	17,111,98[illegible]	29,304,937	41,536,736
Zinc	940,082	963,962	2,448,741	2,136,885	2,553,733	5,344,060
Total	$50,375,787	$42,609,556	$25,426,631	$40,330,738	$59,638,484	$84,654,015

For the business year ending March 31, 1920, our exports in lead amounted to $1,193,000 and by 1925 they had jumped to $10,368,130. That is excellent; but the workmanship that brought that raw material to the surface was not supplied by the artisans of the constituency from which I come. The work was not done by that class of our citizens who, when this country finds itself in international difficulties, are ready to come to its help. As the hon. member for Toronto Northwest (Mr. Church) pointed out last night, on one short street in Toronto there are to be found twenty odd war widows who, had their husbands been saved to them, would now be taken care of through the work which these men could be engaged in in our factories where this raw material, if this government would only do the right thing, would be manufactured. That is the class of people on whose behalf I am making this appeal this afternoon. They are the people who when the empire is in danger are ready to march shoulder to shoulder with good Canadians from the west and east to the defence of our liberties. Now that we are enjoying peace why can we not give work to these men to enable them to maintain their families? This country owes them that much, and the only way this duty can be discharged is for the Dominion to adopt the policy which has been enunciated by the leader of this party from time to time.

Of nickel in 1922 we exported $2,689,000 worth, and that had increased to $10,000,000 odd in 1925. Gold and silver jumped from $14,000,000 in 1921 to $41,000,000 in 1925. Zinc, which was $950,000 in 1920 and $963,000 in 1921, had increased to $5,344,000 odd by 1925. In short, the grand total of our exports of the raw material which a kind Providence has placed at our disposal had increased under this administration from $42,000,000 in 1921 to $84,000,000 in 1925, just double. I have no fault to find with this except the one that I emphasized a few moments ago. I can picture one engineer directing the efforts of thirty or forty gang bosses, and thirty or forty gang bosses individually directing the efforts of one hundred or more men each, men of the type who live on sauerkraut, macaroni, onions, gar-

[Mr. Harris.]

lic and rye bread. But what about the engineering type? Are we to have only one engineer to a thousand of the other sort? Not necessarily, if you go one step further and take that raw material as it comes from the bowels of the earth and put it through all the various stages of manufacture at the hands of our artisans who are waiting for work in this country.

We have also in Canada a wonderful wealth in wood of all kinds, but in this direction too we are rapidly slipping behind. Our exports of raw wood and wood products for the business year 1921 amounted to 61 per cent of the total of $116,000,000 and in 1925 they had jumped to 71 per cent of the total of $109,000,000. I want to put on Hansard now a table of the exports of wood and wood products:

Exports of Wood, Wood Products

	1921	1924	1925
Raw..	$116,260,591	$126,946,062	$109,093,950
Manufactured.. ..	75,256,371	48,551,833	43,543,234
	$191,516,962	$175,497,895	$152,637,184
Pulp..	71,552,037	46,173,796	41,565,241

I wish it were possible for my voice to carry to the man who looks after the lead pencil factories, as he sits in his easy chair—I refer to the Prime Minister of this country. If my voice could reach him now I would tell him that in Newmarket to-day these very people are anxious of this fact, that whereas in 1921, 39 per cent of the grand total of our exports of wood and wood products manufactured, totalled $75,000,000, to-day the exports in wood and wood products manufactured have dropped to 29 per cent. The employment figures in relation to these exports have declined from $75,000,000 in 1921 to $43,000,000 at the present time. Now that is a condition which will not be remedied so long as we have in power a party that cannot enunciate a definite policy. The leader of that party declared before the election that with a majority of one in the House his government was just able to drift, and now with a minority of fifteen one wonders what they expect to do. Nevertheless they are remaining in office. I ask in the name of the people of Canada that this administration have the common decency to resign and get out and allow another party to take over the reins of government. I say this not merely because we are Conservatives and want to get the sweets of office; not at all. I can tell hon. gentlemen that it is a softer job being in opposition, if they only knew it, so far as the individual members are concerned. That is not the reason why there should be a change of government. The young people of Canada are emigrating because they cannot find work in this country and I can think of some of my friends in Pittsburgh at this very moment. There are thousands of these young people in the United States to-day who are saying to us, "When in heaven's name will you give us a change of government?" I know that if this government got out it would be the greatest boost this country ever had. The younger generation in Canada are full of enterprise and enthusiasm, but this enterprise and enthusiasm are being repressed, and the people are being prevented from taking hold of this young country to bring about that period of prosperity which we should have in Canada.

I have spoken of the ferrous and non-ferrous metal group, and while I do not want to weary the House with figures I desire to refer briefly to a group which was mentioned the other day, the non-metallic materials. Let me consider for a moment one in particular which has been discussed a good many times in this House; I refer to asbestos. Asbestos exportations in the raw state have been going on to an alarming degree, between $7,000,000 and $9,000,000 worth of this product a year having left the country; and these exportations keep up that pace. Now if a real progressive policy were put into force—I am using the word progressive in the true sense—a policy which would tend to encourage the manufacture of that material at home, instead of the figures being what I am about to quote—and hon. gentlemen may obtain them from the journals of the House if they care to look into the matter—they would be altogether the other way. Away back in 1920—not very long ago—$232,000 worth of manufactured asbestos was exported. The period I am dealing with, as hon. gentlemen who have had any business experience well know, was a period of business depression and readjustment in Canada, and many people lost a lot of money. In 1921 it climbed to $321,694, but in 1922 it dropped to $153,000; in 1923 to $81,000; in 1924 to $64,000; in 1925 to $47,000. Down, down, down, and out, is what is happening to this particular line of Canadian industry. In order that hon. members may have the convenience of consulting these figures in tabular form, I ask leave of the House, Mr. Speaker, to put this short statement on Hansard:

Exports (Non-metallic Minerals)

	1920	1921	1922	1923	1924	1925
Asbestos..	9,000,172	12,955,083	4,787,030	7,188,933	8,742,626	7,790,088
Manufactured..	232,316	321,694	153,830	81,507	64,462	47,349
Raw..	8,767,856	12,633,389	4,633,200	7,107,426	8,678,164	7,142,739

I ask hon. members to consider seriously where we are heading. I ask it in all sincerity because I am going to give them now a grand summary of the whole situation in percentages which can be readily grasped. I ask hon. members to consider where we are heading under an administration which glories in the fact that our exports are a good deal above our imports, that even with the United States for the first time for a long while there is a change in our business dealings. I hesitate to again say anything about the United States, but I am using that country in this analysis for the reason that its people are mostly Anglo-Saxon like ourselves and have the same traditions behind them. They are not very far away from us—as I said before many of our boys and girls are over there. In a word, we are very much alike. And we are neighbours. There is only an invisible line separating us—very much invisible at the present time under the customs administration. That does not seem to reach my hon. friends opposite. I repeat, the line between Canada and the United States at the present time is very much invisible under this administration. The Minister of Public Works (Mr. King) in the course of his speech the other day attempted to put us in the position of saying that it was an unhealthy state to have the trade balance with the United States in our favour. Let me say, Sir, that I am not criticizing the fact that the balance of trade is in our favour. I admit it is a healthy state; but it is only so when our exports show within themselves the handicraft of the Canadian people. We resemble the United States in many respects, but we have not exhausted our raw materials as they have. We have not as yet expended ourselves in the exportation of raw materials to a degree which might be termed as the riotous exportation of the substance of this great country which divine Providence has put in our charge. But if our friends opposite continue in office, I am afraid it will not be very long before they will have such a charge laid at their door.

Now, Sir, I will ask the permission of the House to put this table on Hansard:

	Raw Materials				Partly Manufactured				Fully Manufactured			
	Imports		Exports		Imports		Exports		Imports		Exports	
	Can.	U.S.	Can.	U.S.	Can.	U.S.	Can.	U.S.	Can.	U.S.	Can.	U.S.
1922.. ..	28.9	46.4	44.5	39.1	9.6	15.6	14.5	11.1	61.5	38.0	41.0	49.8
1923.. ..	28.4	48.3	44.7	36.3	9.7	18.8	16.2	12.5	61.9	32.9	39.1	51.2
1924.. ..	28.4	44.6	43.4	35.7	11.2	18.5	16.8	14.1	60.4	36.9	39.8	50.2
1925.. ..	27.7	49.2	44.7	39.3	10.8	18.3	15.1	13.5	61.5	32.5	40.2	47.2

It will be seen that in proportion to the grand total our imports of raw materials in 1922 were 28.9 per cent, while those of the United States—and I ask hon. members to note this particularly—were 46.4, or nearly one-half their total importations, whereas ours were but one-quarter of our total. At once the comment naturally arises, it is our duty as soon as we possibly can to get to the position where our importations of raw materials will steadily arise and our importations of manufactured goods as steadily decline. But what has happened in the four years of this administration? This brings us right to January 1, 1926. We have slipped, it will be observed, 12 points, from 28.9 in 1922 to 27.7 in 1925. Has our sister country to the south of us slipped to the same extent? No. She has a protective policy which invigorates and gives new life to industry and encourages it to manufacture raw materials of all kinds into finished products. She has risen from the position of 46.4 in 1922 to the enviable position of 49.2 in 1925. She has imported more raw materials and less manufactured goods, with the result that not only are more and more of her people finding work, but many of our own people have been forced during the last four years to go to the United States for a livelihood.

Hon. members will note with interest the comparative figures in regard to partly manufactured imports and exports for the four years as between this country and the United States. They will notice with regret that while our position is virtually stagnant the United States has jumped from 15.6 to 18.3.

Coming to the figures for fully manufactured goods, do we find that the United States is importing more and more of the workmanship of southern Europe, of Switzerland, of Belgium, of France, of Great Britain? No. We find that its imports of 38 per cent in 1922 have dropped to 32.5 in the course of four short years, while we find ourselves importing to the tune of 61.5 per cent.

What is the significance of these figures, Mr. Speaker? In my opinion, it is that our artisans, if this condition continues, will have to go elsewhere for a livelihood. I say it is time to call a halt, it is time for us to take hold of ourselves and apply a definite, fixed, determined policy that will stop the efflux not only of our raw materials but of that other still more valuable material—our trained young men from such great institutions as

the Toronto technical school which is a stone's throw from where I live. The men trained in these schools are in effect being exported every time we allow this condition to get out of balance, and it is getting more and more out of balance as one year succeeds another. I should like to say this to the hon. member for North Winnipeg (Mr. Heaps): If he is sincere in his desire that the artisans of this country shall have the fullest opportunity to make a living in this country I do not see how he can sit on that side and support such an outfit as we on this side see in front of us, an outfit whose only virtue—no, it is not a virtue; far from it—is to cling to office and let the public be———hon. gentlemen know what I mean. Mr. Speaker, commercial travellers are continually crossing the international boundary line between Canada and the United States. They bring their goods to us, they come to our offices; we do not know the difference between them and some of the travellers for our own concerns. But the time is coming when, if our own industrial concerns are to stay in buisness, the protective feature of the customs tariff must be strengthened in order that they may be able to withstand the competition from which they are now suffering.

I notice that the Minister of Public Works is now in his seat. I have already paid some attention to the remarks he made on a former occasion during this debate, but I should like him to take notice of the points I am about to stress. The people on the western prairies are not all Doukhobors going around in their bare feet, as we were once led to believe by newspaper stories and caricatures. Such Doukhobors as are left in the west, as well as the people of other nationalities there, are becoming more and more Canadianized and are anxious to act as true Canadians should. That being the case I for one expect them to support a policy which will provide employment for every class of wage earner in this country. I would also inform the Minister of Public Works, who the other night had so much to say about the exodus from this country, that I have here a publication issued by the Department of Trade and Commerce in which there is a very significant statement. But before bringing that statement to the attention of the House I should like to say to the people of Saskatchewan, through their representatives in parliament: You want to be a little careful about putting all your eggs in one basket. Do not think too much in terms of wheat. You may find in some of your families those who will want to engage in some other occupation.

Mr. CAMPBELL: Is the hon. gentleman aware of the fact that we are producing more butter per farmer to-day in the prairie provinces than is being produced in Ontario?

Mr. HARRIS: I am very glad to hear that, but I would suggest to the hon. member that if this treaty-making government is kept in power much longer they will soon be out of the butter business.

Mr. STEWART (Edmonton): Is the hon. gentleman aware that the price of butter in Canada to-day is higher than it has been since 1921?

Mr. HARRIS: I am aware of the fact, but I was not talking about butter, I was talking about bread for our people. If I remember correctly, on a previous occasion during this debate the butter minister rose in his place and read a document—

Mr. KING (Kootenay): Order.

Mr. HARRIS: He rose in his place and read a little document which our friend from Rosetown (Mr. Evans) does not think very much of. It has to do with the dumping clause which he is going to put into effect. Now, I was saying, when my attention was diverted, that the people of Saskatchewan should not think too much in terms of wheat. Let me make the quotation from the government blue book to which I referred a few minutes ago. It is as follows:

> If the average export price of wheat in 1925 had been the same as in 1924, the total value of Canadian exports would have shown a decrease instead of an increase.

I should also like to say to our Saskatchewan friends that we all rejoice at the fact that in the west they have had three fairly abundant harvests. But they should bear this important point in mind: If they retain all their eggs in one basket they will not be in very good condition when a bad season comes. Now, what will happen if a season of scarcity or famine should overtake our land?

Some hon. MEMBERS: Oh, oh.

Mr. HARRIS: The hon. Minister of the Interior laughs; I shall have to have something to say to him later. When I used the word "famine" I used it in a figurative sense. The possibility of a crop failure must always be borne in mind; therefore I say to our friends in Saskatchewan that they should not keep all their eggs in one basket.

I ask hon. members to consider seriously the policy which will stimulate industry in this country and give our workingmen a chance to live. We should all do our best to help industry along. There is one industry in

Winnipeg with which I am associated to a certain extent. A million dollars have been spent upon it in the last two years. We should all be glad to see industries spring up; I should like to see them established throughout the length and breadth of the west. If there is an industrial development of that character, then in the event of a failure in one line of activity the people can turn their attention to another. The fiscal policy of this country should be so framed as to give employment to our people and make them satisfied and contented.

I am glad the Minister of the Interior is in his seat and I hope he will stay here. I wish he had been here in 1912 when they were talking about a tariff board. I shall have something to say on that this evening, if you will now call it six o'clock, Mr. Speaker.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. HARRIS: At six o'clock I was endeavouring to point out where we were heading in our national affairs, particularly if we continued in the direction in which we have been going during the last three years. We are asked by the so-called administration at this time to consider the Speech from the Throne, which they would like the country to believe is going to solve some of the difficulties under which we are labouring at the present time. True, we are making progress, because Providence has seen fit to place in every one of our provinces resources of one kind or another, the use and development of which will enable us to live and to make progress.

It is suggested that we are going to deal with the situation which I had in mind previous to six o'clock by giving Canada a tariff board. The expression "tariff board" sounds very well coming from the Liberal party. The Prime Minister at Richmond Hill on September 6 stated that he was not going to protect the industries of Canada. What is he going to do? He is going to "safeguard" them. To use his own words, "the safeguarding of our established industries against conditions elsewhere which may be prejudicial to their well-being and development." That is a sort of hair-splitting between protection and safeguarding, in my opinion. But the Prime Minister does not stand alone in this proposition. At page 247 of Hansard the Minister of Agriculture said:

> Why, there is hardly the splitting of a hair between an advisory tariff board and the tariff commission that my hon. friends opposite are agreeable to.

[Mr. Harris.]

Thirteen years ago, on February 6, 1912, the Conservative party introduced a resolution to give Canada a tariff commission. I imagine I can see the Minister of Agriculture making a great ado about the Liberal party giving Canada a tariff board to safeguard our industries, although, commenting on the difference between an advisory board as proposed by hon. gentlemen opposite and the tariff commission proposed by the Tory government, he says it hardly amounts to the splitting of a hair. But out in the prairie provinces he will take credit to the government for its course in this respect. I am glad he is in his seat now, because it fills up the vacant space along the front row.

I should like to go over a few of the features of this tariff board, and at the same time I should like to ask the Minister of Justice (Mr. Lapointe) if he can remember thirteen years ago. Of course that is not very long for a young man such as the minister. I suppose he can remember that on February 8, 1912, he voted against the creation of a tariff commission. Does he carry in his mind the words falling from the lips of his deskmate for the time being over there, as reported on page 247 of Hansard, that there was not the splitting of a hair's difference between a tariff commission and an advisory board? I am quite sure the Minister of Justice will consider, along with the Prime Minister, that the safeguarding of the boot and shoe industry would be a pretty good thing for Canada at the present time. If someone would prompt his memory a little and tell him we have a boot and shoe industry in Canada, it might do some good.

Another feature of the tariff board which the minister stressed was that it must function as soon as possible. That prompts the suggestion that the government should withdraw the motion to adjourn until the 15th March and go ahead with business of the country. We are ready to do business. If the government want to function, why do they not start and do it? Discussing the tariff commission or tariff board the Prime Minister at Richmond Hill said that the Tories were going to set up in Ottawa another board that would cost this country a good deal and they were going to shift the responsibility over to the tariff commission, while the Liberal party wanted to accept parliamentary responsibility in the administration of our tariff affairs. The Prime Minister is not alone in this; he has with him the Minister of Agriculture, who the other night told the House that this proposed tariff board would have tremendous responsibility. In this connection I want my hon. friends from Quebec

to note what I am saying, because in a moment or two I am going to say something that refers particularly to them. I am emphasizing now the responsibility of this proposed tariff board. The Minister of Agriculture said:

> Nevertheless I think we can find men to act on such a board who will do their duty regardless of consequences.

Big men are wanted, mighty men are wanted, men who will asume some responsibility so that this government can hide behind that tariff board every time they want to give tariff concessions to some of their friends in this country. The idea is not that this government will assume the responsibility, but that they want to shift the responsibility on to what the Minister of Agriculture is wont to call big men. Why, he says, I think I would rather have a seat in this government than a seat on that board. I wonder why?

Perhaps there is another reason why the Minister of Agriculture would rather sit in this government than be on that board. He knows in his heart of hearts—and he gave expression to this the other evening—that forty per cent of our goods are on the free list. He says a little further down:

> We have a large free list and a great many people are wondering why many of the articles it covers should not bear a certain measure of taxation.

Why is he not a little more honest; why does he not say "a certain measure of safeguard"? Why does he not go a little further and say "a certain measure of protection," and then go a little further and stand up on the platform at Regina and say what he says in this House of Commons? When the Saskatchewan members, that fine looking group of men led down here by the Minister of Agriculture, review his statements with regard to this tariff board, I think that attitude will be one that they will hesitate to follow.

The Minister of Agriculture is not alone in this. This many-sided minister, the Minister of the Australian treaty, Minister of Finance (Mr. Robb), and so on, was in this House in 1912 and he voted against this tariff commission. The Minister of National Defence (Mr. Macdonald), who has been conspicuous by his absence a good deal lately, was in the House at that time and he voted against the tariff commission. I mentioned the province of Quebec a little while ago. We all have a great deal of admiration and respect for the name of Sir Wilfrid Laurier. I ask my hon. friends from Quebec—and I am glad there are at least half a dozen of them here—to consider what that great chieftain had to say about a tariff board, because when he discussed that matter in the House of Commons in 1912—and the Speaker himself will recall that he too voted against it, although I would not like to charge him with that—instead of calling it a tariff commission in accordance with the heading of the bill as it was introduced in this House, he called it a tariff board throughout almost the whole of his remarks. Like the Minister of Agriculture he knew what it was. A few of his remarks in this connection might be interesting. As reported at page 2874 of Hansard of 1912 the late Sir Wilfrid Laurier made this statement:

> There is such a thing as an act and an ulterior motive to that act not to be found within the four corners of the act itself.

Has the Minister of Justice an ulterior motive in his mind? Is it the question of boots and shoes in Quebec that is behind this tariff commission? If it is not, before this adjournment is granted we might get a little explanation. I do not want to be misunderstood as regards my position in this matter. I am firmly convinced, and the longer I stay here and have an opportunity of glancing now and again at the record of what is going on in this country, the more convinced I am that it is absolutely necessary, if we are to reach our destiny and hold ourselves together as a great people in this part of the northern hemisphere, that we should have protection in this country. Sir Wilfrid Laurier said a little further on:

> The more we proceed with this tariff board—

Not tariff commission.

> —the more it becomes apparent that we are moving in a vicious circle.

I wonder what kind of circle the present government are moving in? They are not getting anywhere. If they want things to go ahead a little in this country, I would advise them to quit moving altogether unless they move across the floor of this House, because that is the only movement that will be of any use to Canada at the present time. This board of 1926 is one that is going to advise the ministry, that is what is left of it. I suppose it will be the ministry that will have the gaps filled up during the next few weeks, but we shall have to wait until those gaps are filled. This is what Sir Wilfrid Laurier said about the 1912 board:

> To say that under such circumstances the commission should be simply under the jurisdiction of the minister is not in accordance with the conception of the feature of the commission which would give it its greatest usefulness.

In other words, if it is going to have a usefulness, it cannot be under the minister. Yet

the board which Sir Wilfrid Laurier condemned in 1912 is to-day being adopted by the Liberal party. I want my hon. friends from Quebec to understand that there is no bigotry on the part of the people of Ontario with regard to them. On every platform on which it was my privilege to say a word, I was careful—and I did not need to be careful because I did it spontaneously—to say that in Canada to-day we have a fair province known as Quebec inhabited by people who were Canadians long before some of the rest of us were here, and their views and expressions of opinion should be taken into consideration in connection with everything of a national character and of interest to any of the people of Canada. That is the extent of the bigotry in that part of Toronto from which I come, which is known as Toronto-Scarborough. In every Orange hall in my riding where I have been asked to speak as a guest I have said that in the province of Quebec there were Canadians who anteceded by many generations the membership of some of these institutions. But I have yet to discover within the confines of any of these institutions or clubs any bigotry towards the province of Quebec. I say that in passing just to assure hon. gentlemen from that province that I have not been criticizing them. I am not criticizing them when I repeat the words of their late chieftain and urge the members from Quebec to be consistent in this House. I can imagine hearing some of the followers of Sir Wilfrid Laurier shouting, "Vive the Laurier policy", and I would ask them to read what their chieftain had to say in his day and generation and to act accordingly. I want to assure hon. members from that province that in the part of the country from which I come we have a great regard for the people of Quebec. We know that their ancestors were here before ours and hon. gentlemen will be here when some of us have gone to the United States to find jobs because they make it impossible for us to get them here.

Hon. gentlemen from Quebec realize that no other country will afford them the same freedom to observe their traditions, and we realize that growing up side by side with us are also our friends from Saskatchewan who no doubt are all true Canadians. We are all building up a strong race of people in this country and it is just as well for us to realize this. But I wonder how the people of Saskatchewan feel about the tariff board? Are there any disciples here of "Red Michael" from Red Deer? If there are, have they read the statesmanlike speeches that fell once from the lips of Red Michael Clark? It was not my pleasure to know that gentleman personally but in my mind's eye I can see him in this House at the present time instructing one of these young sprouts from Saskatchewan. Well, Red Michael said in his day that it was the business of parliament to get at the facts for itself. Imagine, said Red Michael, Mr. Gladstone, Mr. Churchill, Mr. Law, Mr. Lloyd George or Mr. Asquith being told that they should appoint a commission to do those things which it was essentially the function of the government to do. I know one thing, and that is that when our friends from Saskatchewan come to talk in Regina in the course of the next few weeks there will be very little said about the tariff board, for I understand that tariffs are an abomination to the prairie provinces.

The tariff board proposal of 1912 was defeated not by the party that introduced it in the House of Commons, but by a Liberal majority in the Senate, and I would ask the members from Saskatchewan and other remnants of the Liberal party to listen to what their chieftain of that day had to say when the proposal was finally rejected. This is what he said:

> For my part I shall be glad to share the responsibility with the Senate of killing this bill. If the result of this motion is that the bill is to be killed I say to my honourable friend that it would not be an unmixed misfortune; on the contrary, in my judgment, it would be an unmixed blessing.

These were the words of Sir Wilfrid Laurier, and to-day we find the man on whose shoulders his mantle has fallen going in the opposite direction.

We had some issues in the last election apart from the tariff question: we had the questions of transportation and immigration and the proposal for Senate reform. And in the Speech from the Throne, while there is not a great deal said about transportation, there is reference to the Hudson Bay railway. I do not know how far that undertaking can be considered a national one or how much policy there is behind it, but the government is dealing with the Hudson Bay railway in the same way as it deals with everything else. Instead of announcing a public policy they are giving the people public works in order to remain in power. This is a public works government rather than a public policy government; that is the conclusion to which I have come after watching the manoeuvres of hon. gentlemen opposite during the last four years and more particularly in the course of the last four, five or six weeks. Having failed throughout the past four years to give our Progressive friends what they wanted, the government now find themselves unable to remain in office without making some conces-

sions, and so they have had to hand a few apples to the representatives from the prairies. Somebody spoke of it as berries the other night, but I prefer to say apples; there are not many apples on the prairies. They are obliged to give the Progressives what they want.

I should like to read two verses which have been composed under the title Perspicacity. They explain what I might call the perspicaciousness of this particular administration; and when I read them my friends from the west will see their significance. During the last four years they have been inhaling the perfume from the lilac bush and have been wondering how the apples they had in mind would grow on that shrub. Here are the verses:

Willie King and Robert Forke,
After four years of stormy weather,
Said Willie King to Robert Forke,
"Let us go to the people together."
And Robert drew back in great surprise,
"You're a stranger, Sir," said he,
"And I will give you our support
When apples grow on a lilac tree."

After that there was an election; the second verse follows:

And Willie felt very sad at heart,
The Progs were the only one,
And Robert felt quite remorseful
At the terrible wrong he had done.
So bright and early after election morn,
Robert was quite surprised to see
Willie King's wrecked cabinet
Tying apples on a lilac tree!

Here on this sheet I hold in my hand, Mr. Speaker, you can see a picture of a boy tying apples on the lilac tree. That, to my mind, illustrates the perspicaciousness of this government, and I think I might well call them the perspicacious government.

Besides the Hudson Bay railway the government are going to do other things; they are going to appoint a royal commission to take care of the Maritime provinces. From my own observation during the last ten years I would say that the Maritime provinces have been bedevilled with royal commissions. Do you know, Mr. Speaker, I have sometimes thought that we should change their name and call them, the royal commission provinces? No wonder the people of the Maritime provinces rose in their might at the last general election and sent to this House such a fine body of men to firmly entrench themselves behind the right hon. leader of this party. I had no idea there were such outstanding men in the Maritimes until I saw them in this chamber.

The problems of the Maritime provinces cannot be solved by appointing a royal commission. We have arrived at the stage where prompt action is necessary to handle the situation. Perhaps one of their biggest problems is transportation. If this government could bestir itself in connection with the Rouyn railway, should it not be able to do something for our friends in the Maritime provinces? Coal is one of the principal industries of the Maritimes, and I am given to understand that one-fifth of the people are dependent on it, while twelve per cent of the revenues of Nova Scotia are derived from coal mining royalties.

I was glad to hear the hon. member for Cape Breton South (Mr. MacDonald) last night refer to the Duncan report. Let me tell my hon. friends from Nova Scotia that a majority of the people of Ontario with whom I have come in contact are ready to endorse the views set forth in the addendum to that report by Mr. Hume Cronyn. We in Ontario are anxious to do everything we possibly can to help our friends in the Maritime provinces. Not because Stanfields woollen industry operates down there, not because they are such a find lot of people in the Maritimes. When I was down there last January I was very well pleased with the people I met. When I remember them and the raven-haired, bright-eyed lassies I saw in Charlottetown, Pictou and other towns, I am very much disquieted to read in the newspapers that the businessmen of the Maritimes are discussing the possibilities of breaking away from the Dominion. This can point to only one thing—something is radically wrong down there. Unhappily for this country, the government is not big enough to grapple with the situation, and while they are wasting time doing nothing something of grave consequence to confederation may happen. The hon. member who preceded me this afternoon said this is a government that fiddles with royal commissions while the businessmen of the Maritimes talk secession.

Undoubtedly the time demands action. One compelling reason for the government to be alive to its responsibilities is the serious decline in the coal industry of the Maritimes. In 1913 out of a coal production of 7,000,000 tons, 2,000,000 tons was consumed in St. Lawrence ports; in 1923 this quantity had shrunk to 1,500,000 tons; in 1925 the production was cut in half, with a consumption in those ports of only 807,505 tons. The people of the Maritimes won this market for their fuel, and should be protected against the coal of West Virginia, which is mined more easily, due to the absence of gas, the natural drainage of their mines and the absence of submarine workings. The coal operators of Virginia

have the further advantage of being able to transport their product into the St. Lawrence ports at a very cheap rate. We must resist this invasion of the Nova Scotia coal market and help our people by taking requisite tariff measures. I am convinced that if the industry is allowed to decline much more it will be completely prostrated. Something definite must be done. Now, Nova Scotia coal is a pretty good article. Records were kept of tests made in 1914 and 1915 of 1,750,000 tons of coal and it was found that 8,480 pounds of Nova Scotia coal would do the same unit of work as 9,680 pounds of West Virginia coal. In other words, the Nova Scotia product was 14 per cent better than its foreign rival.

How are we to help out the situation? The Conservative party is determined that there shall be no interference with the railway commission, whatever may be the inclination of our friends across the way. Those of us in the Conservative party, if we find it necessary to help out the situation in the Maritimes or in any other part of the Dominion by giving assistance on long-haul freight costs, are willing to go ahead boldy and take the people into our confidence, and I believe they will be solidly behind us. We are also courageous enough to be prepared to take the same course if it is necessary to revise the import duties on soft coal in order that this great industry shall not be irretrievably ruined by ruthless foreign competition. I am sorry the Minister of the Interior (Mr. Stewart) is not in his seat, for I am sure I should like to hear his views on this subject. In any event I think the people of Nova Scotia have more faith in the Conservative party than they have in our friends opposite to relieve them of the serious disabilities they are now labouring under. Where is the resolution moved by the Minister of the Interior last session for the launching of a coking scheme to supply central Canada with domestic coke to be produced from Nova Scotia coal? We have never heard anything more about it. In my humble opinion it was nothing else but a political gesture in an effort to avert the indignation of the people of Nova Scotia. If this government was really serious in putting forward that proposal why are they not now giving the people where I come from the benefit of such legislation? We want coke or coal to keep us from freezing. I say this in all sincerity. Last Saturday night, although I happen to be the director of a coal company that distributes 15,000 tons a year, I did not have a pound of anthracite coal left in my cellar, and I was obliged to burn coke. That is the situation generally in Toronto. I

[Mr. Harris.]

am glad to be able to get coke to keep my furnace going, and I wish Nova Scotia coke was available in greater quantities, for I would be very glad to have it. That same night I happened to be in the home of the president of that company and I heard him tell his manager over the telephone: "If any of your neighbours are in need or distress, send your men into my cellar where there are ten or eleven tons of anthracite coal. Take it bag by bag and let these families have it to keep them from freezing. I hope by next week we shall be able to get a further supply into our yard." That illustrates the condition with respect to fuel in the city from which I come. That is why I make an appeal—not so much on account of Nova Scotia, although I sympathize with that province in every way—for the adoption of such a policy as will ensure a proper fuel supply within the confines of this country. I appreciate the necessities of Nova Scotia, but I say to my hon. friends from that province that Alberta is farther away from the market of central Canada than they are. I can understand the criticisms which have been indulged in in regard to the amount of expenditure upon the canals of Ontario, but I say to my hon. friends that before very long they will rally to our aid and help us to secure the deepening of the St. Lawrence waterway. When that project is an accomplished fact our canal system will be able to transport barges carrying 10,000 tons of Nova Scotia coal. That is what we are going to see in the next twenty-five years. But my hon. friends will have to lend their assistance in getting the canal system improved. When that time comes we in Ontario are going to use Nova Scotia coal for coking purposes and the resultant coke for domestic heating. That is what I hope to see accomplished as soon as we oust this government and replace them by men who are animated by the desire to develop Canadian industries.

But, Mr. Speaker, the coking scheme that we heard so much about at one time has fallen by the way, and it is not the only scheme which has met that fate. I remember hearing the Minister of the Interior state last year that the government hoped to have a shipment of Alberta coal in May or June, when there would be plenty of rolling stock available and larger cars might be had, for the purpose of making a real test of the actual cost of transportation of this fuel. I am sorry the Minister of the Interior is not in his seat so that I might inquire of him what has become of that policy. Is there any record of its having been carried out? No, we have sat here this session and heard the

Minister of the Interior answering questions with respect to Alberta coal, and you will find that he has passed on to the province of Alberta the onus of taking that action which the situation calls for. Later on he proposed that the matter be left to the Alberta government, but some hon. members interjected, "no." Afterwards the Minister of the Interior gave this advice to Alberta: "Go down to the railway commission and present your case to them. They are the people to tell you what the actual cost is of hauling Alberta coal to the central provinces in Canada." That is a beautiful example, to use the language employed on the hustings, of "passing the buck." That is what the present government are doing to ascertain the cost of hauling Alberta coal to Ontario.

We should like to be able to burn coal from Alberta in the province from which I come. The province of Alberta is ready to produce 14,000,000 tons of coal yearly. I am not saying that all this coal should be brought to Ontario, but I do desire to emphasize a statement which I made this afternoon: if a proper policy was adopted in this country it ought to be feasible for some of our industries to establish themselves in the vicinity of Edmonton where their power wants could be supplied from the adjacent coal fields and where they could engage in manufacturing without being subjected to undue expense in the matter of fuel. It is not so long since the city of Winnipeg was using American anthracite coal altogether. Now it is consuming large quantities of Alberta coal. One hon. member from Saskatchewan the other evening—I think he is occupying his seat now, but I was sorry to observe the brand of Canadian patriotism he displayed—said that one ton of American anthracite was worth two tons of the Alberta fuel that they were burning. Suppose that is the case, is it not far better to burn two tons of Alberta coal than to bring in one ton of American anthracite? That money would go to help the people who are now engaged in the coal mining industry in this country and vastly to increase the number so employed. The Dominion government, as I understand, receive a royalty from the working of the Alberta mines, and they ought to be the very first to encourage the mining industry in this country.

Mr. YOUNG (Weyburn): Did I not hear my hon. friend a few moments ago bewailing the fact that there was no anthracite coal in his own cellar?

Mr. HARRIS: Yes I was bewailing the fact, and I will indulge in further bewailing if it will do my hon. friend any good. My reason for that bewailing is that this inert, inefficient government have not seen fit to tackle in a proper way the question of a national fuel supply. Had this government risen to the necessities of the situation they would have given the necessary assistance, when it became apparent that there would be a scarcity of fuel, so that Alberta coal could have competed successfully with imported American anthracite. Then there would have been no shortage of coal in the central provinces of Canada this year. I am satisfied if that had been done, Alberta would have shipped the coal we needed to us and thus met all our requirements. We use only seven per cent of the total amount of American anthracite coal which is mined. We are dependent upon the American supply, 75 per cent of which is furnished by line companies and 25 per cent by independent companies. These independent brokers of the companies, sitting at Buffalo, are anxious that we shall continue buying supplies of anthracite coal, so that they can clear a profit of from ten to fifteen cents a ton commission on every ton they sell, and that 15 cents commission is being collected by brokers living in the city of Buffalo, not in the city of Edmonton. Let us shift that over from Buffalo to Edmonton; let us shift it on to Canadian soil.

Mr. Speaker, if the Liberal party were sincere in their desire for an adjournment, they had the means at their hands to force an adjournment; they could have put on closure if they were sincere and wanted to proceed with the business of the House, or they could have withdrawn the adjournment motion and gone ahead with public business. We on this side are willing to go ahead and do business. If they want to fill up all these vacant portfolios in the government, they should listen to the words which fell from the lips of the Prime Minister at Richmond Hill on September 6th, when he said: It is not a question of ability; we have lots of ability in the rank and file of the Liberal party. If that is the case, why do you not fill up our front row with men sitting around you, from your own ranks? Is there not enough ability among the 101 members who fill the treasury benches without having to go outside for ministers? When I was a boy we used to say of anything petty, it is small potatoes. With all respect to the hon. ministers of the crown I say that, in the eyes of the Canadian people, more and more each day they are being regarded as very, very small potatoes. As I sat here and saw the government properly peeled by the member from Calgary, properly baked by the members from Nova Scotia within

the last day or two, French-fried by the hon. member for Kent, N.B., hash-browned by the members from Montreal, scalloped by the members from British Columbia, boiled and parboiled by the members from Toronto, mashed by the member for Fort William, creamed a little bit by the members of the Progressive party and the Independent and Labour groups, and finally put through the mincer by the right hon. leader of this party, as I saw all this I could not help thinking that this group of small potatoes opposite who pretend to call themselves the government of Canada to-day are one indigestible mess whom the people of Canada consigned to the incinerator on October the 29th last. I ask them, therefore, in all sincerity to have the common decency to resign and let others take their place who are ready to carry on and to give Canada stable government.

The Prime Minister at Richmond Hill said:

> Next to be considered is the question of ability of the government.

Mr. Speaker, look at our front row, I ask the hon. Minister of Public Works, where is the ability of this House?

Mr. KING (Kootenay): Over here.

Mr. HARRIS: Have another dream, brother, and wake up. If, Mr. Speaker, the ability of this House is over there, why do they have to go outside their own ranks to find someone with ability enough to fill the vacant seats in the government? I say, Mr. Speaker, that any one of the 116 men on this side of the House, with the exception of myself, has ability enough to fill a seat on the treasury benches.

An hon. MEMBER: Where are they?

Mr. HARRIS: Most of them are here to-night. You never saw finer looking specimens of men in your life. Analyse the achievements of these hon. gentlemen; that is all you need to do to find out where the ability is in this House. The Prime Minister drew from among his own ranks a Minister of Immigration and Colonization, Mr. Gordon, before the last election. I wonder where he is now? Away back in a snowbank in Peterborough. He also drew from the ranks of his own party the Hon. Mr. Marler. Where is he now? Is he here? He also drew from the ranks of his own party the hon. Solicitor General (Mr. Cannon), and the hon. Minister of Customs (Mr. Boivin). Then he drew from the ranks of the big interests the Hon. Vincent Massey. Where is he to-day? Like "Massa," he is in the cold, cold ground. The people of Canada saw to it that he did not get into the government ranks, and in my opinion he never will.

9 p.m.

The Prime Minister at Richmond Hill, on September the 6th last said:

> As far as the country is concerned, I believe we possess its confidence to-day to a greater degree than at any time during the last four years.

Well, Mr. Speaker, the people of Canada did not believe it. They do not believe it yet, and the longer hon. gentlemen opposite sit on the treasury benches the worse it will be for their party when the people are appealed to again. Can there be any doubt that the federal administration is steadily declining in public confidence? The government's majority of one in the last parliament has slid down to a minority of fifteen. The Prime Minister said at Richmond Hill that he could not accomplish reforms without a majority. Now that his party has lost its majority of one and is now in a minority of fifteen, how are we ever going to get any legislative reforms of any kind so long as hon. gentlemen opposite stay in power, just sit tight and draw their salaries? Yet the government through the mouth of the Prime Minister has said that Canada needs to-day firm, constructive government in order to carry forward great reforms. Mr. Speaker, you cannot carry forward great reforms with a minority group.

In conclusion, I say that this government, being unable to move forward as the requirements of a young, strong and virile country like Canada demand, a government which, in addition, does not command the confidence of the people—I say that in making any attempt to move at all, and in moving without the people of Canada, they, in the words of Emerson, are marching out into the night.

Mr. GEORGE BLACK (Yukon): Mr. Speaker, at this late stage of the debate let me add my congratulations to those already offered you on your re-election by this House as its presiding officer. I congratulate you, Sir, not only on again being elected Speaker, but on being thus relieved from taking any active personal part in the performance now being put on in this House by the government, which, in view of the lofty sentiments which we hear voiced by you, Sir, at times from your position of neutrality, could not fail, I take it, to meet with your disapproval and which I am convinced your good judgment would have advised against. In fact, Mr. Speaker, the government, in associating itself with the majority of the members of this House in again selecting you as Speaker, has performed the only commendable act to its credit during this session—indeed, one of the

few creditable performances throughout its whole career. I venture to say that in your long experience as a member of this House—as a private member, as a cabinet minister and as first commoner—you have never witnessed such a spectacle as the one which now confronts the House of Commons and the people of Canada, the spectacle of a government defeated at the polls clinging to office for the spoils and emoluments of office. That is the only reason for its existence at the present time. The government admits, through its leader, that it can do nothing but draw salaries and annex emoluments, but notwithstanding that admission it pursues its course of hanging on to office for what is in it, namely the emoluments of office.

A government in such dire straits is truly a pitiable spectacle to the electors of this country. Does anyone challenge that statement? Do the government deny that that is their purpose in holding office? They do not and cannot deny it, because it has been proclaimed by their leader. Mr. King admitted it in his election manifesto last fall, wherein he set out the government's position before the electors of this country. He made it quite clear that his government for the past four years had failed to function to the advantage of Canada. His exact words have been quoted in this House on more than one occasion, but it seems to me that what was said by the leader of the government at that time in putting the government's case before the people is too important to be lost sight of for one moment in considering the situation which confronts the people of Canada to-day. He did not make this statement only once; he repeated it a number of times. He referred to the impossibility of carrying on under the circumstances. At Kentville, Nova Scotia, on September 18, he predicted that the opposition could not expect to elect any members in that province, and from that time on, at different places throughout the country, he predicted victory for himself. He was so confident that he gave up all dependence on the group that had kept him in office during the preceding four years. He burned his bridges behind him; he had no further use for the support which he had received during that period. What is he quoted as saying on September 9, at Erindale, Ontario, as reported in the Mail and Empire of that date? I read:

> If Premier King at the coming election is not returned with a stronger majority than he has had during the past four years he will not hesitate to ask again for a dissolution of parliament. This was his statement at the Parker Picnic here this afternoon. "You can never get the big problems solved unless you have a majority strong enough to allow you to act without fear or favour. If I were faced with the situation of the past four years I should ask for dissolution again."

I wonder if he is able to act now without fear or favour? Is his government able to function without favour from any other group? Again at Regina on the 29th of September he is reported in the Moose Jaw Times-Herald as saying:

> His government had the difficulty of financing and also of carrying on a government without a majority in the House. It had been a government by compromise. It had been necessary to go gingerly and not as far as he would have liked in some directions.

The government would be remembered as a government of large majorities as the records of the votes in the House would show.

> He was convinced that a government without a large majority in the House could not govern Canada with all its problems.

I should like to know where his large majority in the House is to-night.

> If the government had possessed a large majority it would not have been necessary to appeal to the country and an election would not have been held until 1927. Realizing that the country was faced with problems which could be solved only by a government with a majority in the House of Commons, decision had been made to appeal to the people.

I do not think those problems have been settled, and he has not a government with a majority in the House. The government's position has not been improved; it has been made infinitely worse. The all-important pronouncement and definition of policy was made by the Prime Minister in his opening speech to the electors on September 6, when he said:

> As a government we can carry on until 1927, if we so desire. As I have already said, I have not the least doubt we shall be able to command such support as we have all along had in the House of Commons at another session, but shall we be able to do more than that. That is the question I put to everyone of my colleagues in the government and to not a few of the members. It is a question I now put to you who have honoured me with your representation in the House of Commons. It is a question I put to the electors of this country. Is it sufficient that as a government we should continue in office drawing our indemnities and salaries as members and ministers and enjoying the other fruits of office when great national questions press for solution, which for want of adequate majority in parliament we are unable satisfactorily to cope with.

What is his position to-night? What is the government's position to-day in this House? Are they satisfied to remain in office and draw their salaries? What more can they do? I think I am justified in the statement I made in my opening remarks that this government's sole function here is to draw salaries. They have nothing else in sight. The Prime Minister in his election manifesto admitted he had been able to do nothing in the four years, and his situation to-day is infinitely worse;

his position weaker than it was then. The quotation continues:

All-sufficient as these reasons may be for not attempting another session of parliament before a general election, there are other reasons of even greater weight. I refer now to all important national problems that are pressing for solution and which cannot be solved in a parliament constituted in the manner of the parliament elected in 1921 or by any government which does not commanl a substantial majority in the House of Commons.

I wonder if he calls a majority of one a substantial majority?

Let me recall what I said a moment ago—as a government we can continue to hold office; we could I believe so arrange our sessional programme as to continue to command in the House of Commons a support equal to that we have had during the last four years, but I doubt if we could do more than that—almost we would be reduced to marking time. This is not a moment in our country's affairs at which to mark time. It is a time to march forward.

The government has done a lot of marching forward since September last.

He cited four reasons why he considered there should be an appeal to the polls. The necessity of dealing with problems of transportation, immigration, fiscal questions and Senate reform. These were questions, the Premier argued, which ought to be handled only by a House of Commons fresh from the people and with a mandate to carry out their will. I do not believe, he added, that any one of the four can be dealt with effectively by a government which is not supported by a substantial majority in the House of Commons.

In view of that pronouncement by the leader of the government, the Prime Minister of this country, what excuse has the government for continuing in office? The excuse was removed by the election. The Prime Minister admitted that the government's position was untenable and impossible, and he was right in that statement. The position was impossible then; it is impossible to-day. It is impossible to do anything but mark time and draw salaries, and apparently this government is quite content to do that. When the Prime Minister admitted that his position was impossible, what was the complexion of the House, a House with 235 members? There were 120 Liberals, 65 Progressives and 50 Conservatives. In other words, there were 185 supporters of the government and 50 opponents, and yet according to the Prime Minister's admission, the government's position was impossible. There is no use in quibbling over names and saying that 120 were Liberals and 65, Progressives. I say without fear of contradiction there were 185 supporters of the Prime Minister and his government. There is no need to call these members Progressives—"a rose by any other name would smell as sweet." The government had a majority of 134 in the House not including the Speaker, and yet they could not carry on, could not solve the problems awaiting solution. Those majorities of from 130 to 135 were composed of two parties whose platforms were identical. Those were the days when the Prime Minister thought a good deal of the Progressive party. I should like to quote from a speech delivered by him at Brandon on the 7th October, 1924, to an audience which consisted largely of his Progressive allies and in which was the hon. member for Brandon (Mr. Forke). The Prime Minister was on his way east from a by-election in the constituency of Yale, B.C., in the fall of 1924 and at that time he thought a good deal of his Progressive friends. He had a session of parliament coming on and it was up to him to be good to the Progressives. This is what he said:

"If," he said, "the forces of those who think Liberally and Progressively are united from the Atlantic to the Pacific, there is going to be a long term of Liberal-Progressive administration."

That is the keynote—a long term of office just as it is to-day.

"But if divided, we come to face the forces of high protection which are never divided when the need arises, then we may have an even longer period to regret the mistake, we have made. Division in our forces is likely to mean victory for the party of Arthur Meighen." "We are told," added the Premier, "that what has been done by this government in the way of tariff reduction has been done under pressure of western Progressives. That is not true. It was done because we are seeking to carry out honourable promises we made to the people of Canada and to put into practice the Liberal platform of 1919.

Which not so long before he had described as merely a chart. The ink was scarcely dry on the report of that speech at Brandon when we had the Prime Minister down at Massey Hall, Toronto, announcing that the time had come to pause in tariff cutting. He was addressing an industrial constituency in Toronto, and free trade, Liberal-Progressive ideas, were not so popular in Toronto as they were in Brandon. Those were the Prime Minister's sentiments in the fall of 1924, when he needed the support of the Progressives.

But with that session over and a general election on, how the sentiments of the government towards the Progressives changed! What did Mr. King say during the election campaign? At Kentville, N.S., on September 18, 1925, the Prime Minister stated:

Premier King declared he did not in the least doubt the government would get a majority in the next parliament. The Progressive party had practically disappeared. In Ontario it had left the field: in the west Mr. Crerar, former leader of the Progressive party, had said that so far as the Progressive movement in western Canada was concerned it only meant forming a group that is standing in the way of the interests of the west itself.

No need for the existence of a Progressive party. That is very different from what he

said in Brandon just a year before. He goes along to Moose Jaw, where on the 30th of September he is reported as saying:

He spoke of Robert Forke, Progressive leader, as with Scotch determination, holding aloft the flickering torch, hanging on to the last gasp—

I wonder who is hanging on now to the last gasp—and the last gasp is pretty nearly here.

—but what advantage could there be to the west in the return of a small group of Progressives?

Most insignificant persons.

It would have to operate very differently from the way it had operated in the past, he sharply added, if it was to have any influence. "You will not be able to find a man by the name of Progressive in 1930" said the Prime Minister.

He is going to exterminate them altogether. That was on the 30th September and a couple of days later out in Calgary the Prime Minister made this statement:

"Whatever unsefulness the Progressives might have had," Mr. King stated "that usefulness was at an end." He admitted their motives might have been right, but their methods were wrong. They adopted too much the "holier than thou" attitude.

Kind words for his allies. That was October 2, and three days later he said at Edmonton:

The Prime Minister spoke of his majority of one in the last parliament. "Why," he said, "if I went out for dinner, my majority would be gone."

This shows his true estimate of his friends of the Progressive party, what sort of people he thinks they are, of what worth they are, what principles they hold.

When he formed his administration, however, he had felt he would get sufficient assistance from the other side of the House to enable him to carry on. "There is an indemnity of $4,000" he had thought "and they would think twice before voting us out."

That indemnity of $4,000 was going to keep those Progressives supporting Mr. King. That is what he said, not what I say. He continued:

The reason for the Progressive movement is gone, so far as federal politics were concerned.

I wonder if the government think the reason for the existence of the Progressives on earth to-night is gone. I rather think they are pretty thankful to have the Progressives here and helping them on a number of occasions as they have done since the beginning of this session. On the 6th of October the Prime Minister is quoted in the Edmonton Journal as saying:

The Prime Minister reviewed the action of the government in going to the country at this time stating that the need for a bigger majority in the House was the prime factor in reaching that decision. He appealed to the west to refuse allegiance to Progressive members whom he described as the "holier than thou" group which would get no sympathy or consideration for western problems from the rest of the House of Commons.

That is the Prime Minister's estimation of his allies, the Progressives. It is wonderful what some people will stand. That was the 6th of October. The next night at Saskatoon he made almost equally contemptuous references to them. He was interrupted by a statement that the Progressives had kept the King government in power. This is where he reached the depth of ingratitude:

"No Sir, and they never did," Mr. King shouted back.

I wonder what he would shout back to-night. He did not say "they never will". That was the night of October 7. At Melville, Saskatchewan, the next night, October 8, Mr. King's contempt for the Progressives was even greater; he spoke of them as being in the nature of outlaws in parliament, that they included the Ginger group. They would not stay put. He said:

They are simply helping to make the west ridiculous.

Who are they making ridiculous to-night, I wonder? These were Mr. King's sentiments in regard to the Progressive party during the election campaign just over, but he was not at that time contemplating a long period of Liberal-Progressive administration. He was through with the Progressive party, having thrown them overboard. But the government does not talk that way to-day of their allies; as a matter of fact the government is begging the Progressive party for its life. The government is down on its knees to the Progressives: what for? For the good of the country? No, but so that members of the government may reap the benefits and spoils of office. The leader of the government admitted on going to the country that this was virtually all that he had been able to do in the past four years, and he made it plain that without a substantial majority this was all he could hope to do in the future. And now hon. gentlemen opposite are begging the Progressive party to allow them to live in order that they may continue, as he said, to enjoy the spoils of office.

This government cares no more for any group or party, except the Liberal party, than it cared for the Progressive party last fall when the election was on and when the Prime Minister told the country what he truly thought about them. This government will use any group or member for its own purposes and then cast off that group or member like an old shoe when its purpose has been served. That is not too strong a statement to make. Is it not a fair description of what the Prime Minister himself did last fall to the Progressives? Did he not kick them

out? I have just read to you what he said about them; they were outlaws, a holier than thou group: "They are simply helping to make the west ridiculous." Could anyone be more severe or more contemptuous than that? And then imagine a government whose leader gave voice to such sentiments being now beholden to those very same people about whom these words were used, beholden to them for its very existence and for its salary—for that is what it amounts to. They are willing to draw their money in that way.

When the Prime Minister at Richmond Hill used the words I have quoted he could then command a majority of between 130 and 135 in this House, and even then he pronounced his position hopeless. Well, if it was hopeless then what is it to-day? What was the result of the election When the government was seeking a mandate from the electors it had far greater support than it has now; it has many less Liberals and Progressives now, if we are to make a distinction between the two parties, than it had at that time. To-day there are in this House fewer Liberal-Progressives and fewer Progressive-Liberals while there are far fewer out and out Liberals including cabinet ministers. But to-day we have in this House a great many more Conservatives than there were in the last parliament; we have over 100 per cent more than we had at that time, when the leader of the Liberal party declared that party's position to be hopeless. I ask again, if it was impossible for him and his colleagues then to do more than draw their salaries and enjoy the sweets and emoluments of office, what can they do to-day under the circumstances in which they find themselves? Instead of 235 members there are now 245 in parliament. And what is the situation? There are 116 Conservatives, 101 Liberals, 24 Progressives, 2 Independents and 2 members calling themselves representatives of Labour; and the government instead of having a support of 185 members has only 129 all told. It lost 56 members as a result of the contest. From a majority of 135, which the Liberal leader before the election considered hopeless, it has dropped to a possible majority of 13 at most including the Speaker. That is, if anything, more than hopeless.

Was the Prime Minister dissembling when he made it appear that to remain in office only to draw salary and indemnity was something distasteful to him and to his colleagues? Well, I may be pardoned for saying that actions speak louder than words. How can hon. gentlemen hope to accomplish more than they were able to do in the last parliament? Was the Prime Minister sincere or was he merely bluffing when he took that high moral ground? What must one infer from his course since the election? About the only line of support which the government failed to lose in the election was the so-called Independent support. The Independents in this House are no more independent than they were in the last, and if possible less so. But they have moved over to the government side so as to be with as well as of the government.

The King government was defeated at th polls on October 29 as everyone knows; Mr King knows it and so do his supporters. Yet he and the remnant of his cabinet continue to cling to office for the sake of their salaries and emoluments. If I am not stating the case correctly I want to be contradicted; I want some member of the government or some supporter thereof to give to the House some reason why the government should hold on to office except for what is in it for them personally. And at that, it is not my own diagnosis of the case; it is that of the Prime Minister of the country. That is what he said about himself and his government; he declared before the election that they could do nothing else with the majority they had then. And that is why they had an election· otherwise there would have been no necessity for an election until 1927. The Prime Minister could have remained in office and continued to enjoy the emoluments of the position but in effect he said that he was ashamed to do so especially in face of the problems of magnitude that were before the Canadian people for settlement. He did not have the nerve to stay longer in office and take the money he was drawing. He threw the Progressives into the discard and went to the country for a clear majority of Liberals. And you know where he landed.

If anything further than the count of ballots were required to convince hon. gentlemen opposite of their defeat, then what has occurred in this chamber since the beginning of the session is surely enough to convince those who are most reluctant to admit it that the King government is defeated. Parliament has been in session now practically two months, and what has been done by the government? They have done nothing but draw salary. That is the whole head and front, first and last, of the government's existence. The House has been in session two months and they have simply drawn salary.

Mr. KING (Kootenay): And got majority votes.

Mr. BLACK (Yukon): Would the Minister of Public Works call any one of them an adequate majority such as his leader de-

clared was necessary if his government was to function,—a majority without which he would be ashamed to remain in office? I should think the government would be positively ashamed to refer to that majority vote, considering where they got it.

Mr. KING (Kootenay): If I may interrupt my hon. friend—I do not feel the government should be ashamed. It was a vote of the people's representatives in this House.

Mr. MOTHERWELL: I wonder what the hon. member means when he says, "considering where we got it?"

Mr. BLACK (Yukon): As the Minister of Agriculture is at last taking an interest in what I am saying, I will tell him where he got his majority. He got it from the "outlaws" in parliament.

Mr. KING (Kootenay): I object to that term.

Mr. BLACK (Yukon): Mr. Speaker, that is not my description of the Progressive party; it was given to them by the Prime Minister. The Minister of Agriculture asked me where they got their majority. I reply, they got it from the people whom the Prime Minister described as outlaws, as the "holier than thou" group—a group that "was simply helping to make the west ridiculous."

Mr. MOTHERWELL: That is from some Tory rag.

Mr. BLACK (Yukon): That is typical parliamentary language from the Minister of Agriculture. I once heard him describe a bill that he had introduced in this House—as he waved it over his read—as a "rotten old bill." I must admit, Mr. Speaker, that in referring to any members of or any parties in this House I would not use the language employed by the Prime Minister on the hustings when referring to the Progressives. But they are the party that gave the government its majority. And he having so described its members, I think it is not unreasonable for me to say that the government ought to be ashamed to accept a majority at their hands.

The government is really asking too much of hon. members in expecting them to support this address and then go home in order that it may have a respite until March 15. I admit that a member's personal convenience should be the last thing to be considered where the public interest is concerned. But this request of the government is not to further the public interest, it is simply an attempt to secure a political advantage so that it may renew its rapidly waning strength.

Before the report reached Dawson City that parliament would meet on December 10 I had intended to wait until travel became more comfortable and the risks were a little less, but when I found that that was the date set for the opening of the session, I came out to the coast as fast as I could, at great personal inconvenience and some risk not attending the journeys of other members to Ottawa, only to find on reaching Vancouver that parliament would not meet until January 7. We have been in session for nearly two months, and with absolutely nothing done we are asked by the government to pass the Address and go home again. What for? That the government may pull off some by-elections that it should have had out of the way before the House met; no doubt about that at all. If the Speech from the Throne which the government brought down soon after the opening of parliament really originated at the throne we might be constrained to give some heed to it, but when we realize that it is only the speech of this government placed in the hands of His Excellency, it does not make a very deep impression on most of us, particularly those who have listened to four speeches from the throne written by the same hand in the past four years. What did those four speeches amount to? Political humbug. That is an expression which I think the Minister of Agriculture might approve of. They were mere effusions of words, followed by nothing in the way of legislation or policy that has been of any benefit to the country.

I ask members of the House and of the government to go back with me over those four speeches from the throne and see if they can recall any national good that has emanated from them. Let me direct the attention of the House to some of those nostrums of former days. The first cure-all for the country's ills was a wheat pool. Most of us remember how the government heralded that as a masterpiece of statesmanship. The leader of this party and his supporters warned the government and the Progressive allies that the legislation would be abortive. As a matter of fact it was quite unnecessary to warn the government, for its members knew just as well as did the opposition that the legislation would be futile. The government did not intend by that legislation to control the price or the marketing of wheat; it intended to control certain votes in this House, and to this extent the proposal served the government's purpose for the time being—to fool the Progressives and keep the administration in office. That legislation was laughed out of

court. But the government had survived the session of 1922, and the salaries and indemnities were safe. The next bid in the Speech from the Throne for the support of the Progressives was a promise to introduce legislation to control freight rates on the Great Lakes. That legislation was so abortive that another session over and another indemnity annexed, the government did not wait to have the legislation wiped out by the courts. It proved so disastrous to Canadian business that the government had to invite foreign shipping to ignore it, even to promise them indemnity from prosecution for violating its terms. Those are two fair samples of the statesmanship of this government.

Looking over those speeches from the throne, we find running through some of them the question of immigration. Usually they are going to embark on an aggressive policy to bring more people into this country. Immigration is one of the four great problems that the Prime Minister told his audience at Richmond Hill required an adequate majority to deal with. What was the government's proposal in regard to immigration in the Speech from the Throne of 1922? Let me quote the paragraph dealing with it:

> Now that the blessing of peace is with us a renewal of efforts to bring in new settlers must be made. My government are fully alive to the importance of this question, and will use every reasonable endeavour to attract to our country people of the most desirable class, with particular regard to settlement on our undeveloped lands.

They promised action in 1922. We will see how far they progressed. In 1923, a year later they told the House:

> The matter of securing an increasing flow of desirable settlers to develop the large areas still available for cultivation in Canada has had the serious consideration of my advisers. Additional advertising and general publicity campaigns have been launched in Great Britain and in the United States and, as opportunity offers, will be extended to other lands from which a suitable class of settlers may be attracted. In other particulars, the activities of the Department of Immigration and Colonization are being expanded.

That was in 1922 and 1923. But if you go to the Speech from the Throne of 1924 you will find the government has given up the question of immigration altogether. It did not give it a line that year, and if you look at the Speech from the Throne in 1925 you will find the same state of affairs; the government has nothing to report to parliament, nothing to report to the public, as to its progress in inducing desirable settlers to come to this country. And it is not to be wondered at when statistics inform us that from 1921 to 1925, the population of this country, if anything, notwithstanding the number of immigrants that had been brought in, was almost at a standstill. We have lost almost all of them one by one. And in the Speech from the Throne this session the government, having dropped the subject for two years, has the temerity to tell the House this:

> With the improvement of conditions throughout the country—

I wonder what the improvement of conditions was. Is this an allusion to the government's majority now?

> With the improvement of conditions throughout the country the government have formulated and put into operation a comprehensive immigration plan.

That would lead to the opinion that the government had been acting in the matter. If that comprehensive immigration plan was working during the years 1924 and 1925, the government overlooked any mention of it in the Speech from the Throne:

> My ministers desire it to be known that the Dominion welcomes settlers of the classes which can be absorbed into our population. Regulations have been simplified, transportation rates greatly reduced, and the care of settlers to destination and during early settlement given every attention. Measures will be taken to further the retention on the land of our existing agricultural population—

I wonder how the government is going to do that—

> —to encourage the return to rural parts of urban dwellers possessed of agricultural experience, and the repatriation of Canadians now living in other countries. Special arrangements will be proposed for settlement on crown lands.

That is a pretty picture—a very desirable state of affairs. But instead of the government going home for a rest until March 15, it would be much more interesting for the members of this House if it would declare what that immigration policy is, how far it has progressed, and how successful it has been. The government would have us believe that that policy has already been inaugurated, and is now bringing in settlers. One has only to refer to the various speeches from the throne inspired by this government to realize how futile it is to expect anything tangible from the present administration, no matter what may be contained in such speeches.

In 1923 the government heralded its proposal of Great Lakes freight rate control. We know what happened to that. The government promised in that speech:

> A bill will be submitted to you to safeguard the interests of consumers and producers from undue enhancement of prices or unfair restriction of trade by combines, monopolies, trusts, or mergers.

What has become of that promise? I wonder how many "combines, monopolies, trusts, or mergers" have been brought to book by that legislation of the government? That

is an achievement that was starred in the Speech from the Throne in 1923. Now, what is the next item in that Speech:

> It having been represented that an amalgamation of interests of shipping companies and vessel owners upon the Great Lakes has operated to control freight rates and insurance upon grain shipments in a manner which has deprived agriculturists of much of the benefit to which they were entitled, as well as led to discrimination against Canadian ports and harbours, a royal commission has been appointed to investigate and report upon this alleged combine.

The government investigated all right, but the investigation cost this country a lot of money and was productive of no good; none whatever. In the same year the government forecast its French and Italian treaties, the results of which have been depicted to this House. It managed to make treaties with both of the countries referred to, with the result that there was a lessening of Canadian business.

In 1924 the government announced in the Speech from the Throne a policy of rigid economy—rigid economy to the extent of being able to reduce taxation, rigid economy to the extent of postponing the construction of public works until a reduction in taxation had been effected. That was in 1924. There was no election on that year. In 1925 the government came back with an admission that rigid economy would not suffice. It had to cast economy to the wind because an election was coming on, and the constituencies looking to the election had to be satisfied. A glance at the estimates for that year shows that the government had given up its policy of rigid economy.

And then there was in 1925 a wonderful gesture against the North Atlantic steamship conference. I will not delay the House by making any detailed reference to that subject, but the government's performance in connection with the North Atlantic steamship conference was a fair sample of all that has been emitted in various statements and speeches from the throne.

In 1925 the government made an enormous grant for the purpose of making more effective its precautions against smuggling, and what do we find has happened? The government has banished the best inspector from the biggest port in the country, and has taken the mounted police away from the Quebec border. That is a sample of the government's precautions against smuggling.

In 1925 the government went to the extent of putting in the Speech from the Throne a very significant gesture against the Senate of Canada. It was going to amend the British North America Act; it was going to call a conference of representatives of the provinces and arrive at legislation to reform the Senate by way of amending the British North America Act. That again was only a gesture. Just before the election came on the government was driven to admitting that it was not going to do anything of the kind. It was simply going to wait its time, and when vacancies occurred in the Senate it would replace Conservative senators by Liberal senators. That represents the government's wonderful reform of the Senate. If the truth were known I think the government's retreat from its position in regard to Senate reform was due to saner counsels which came from its supporters in the great province of Quebec. Those supporters were not going to stand for any interference with the constitution of this country and the powers of the Senate. The Prime Minister had to make himself very plain on that matter before election day.

The legislation foreshadowed in those speeches from the throne and in government pronouncements which was designed to obtain support included, for instance, legislation for the extermination of combines, legislation for rural credits, Senate reform, and the alternative vote. Now what became of all those gestures? Just such results as they were intended to produce, and that was nothing in the way of reform or advancement. Those gestures were intended just to make a noise to distract public attention from the fact that members of this innocuous government were getting away with their salaries and giving the taxpayer nothing in return except the necessity of paying more taxes. That is the only reason these items were included in these speeches from the throne; they served their purpose to distract public attention, and to get votes in this House. Why should members of this House at this time seize upon this Speech from the Throne as an excuse for bolstering up an expiring government—no, not an expiring government, but an expired government. You, Mr. Speaker, a few days ago, if my memory serves me right, advised a member who had not been over-complimentary in his reference to the government to speak gently. I suppose your advice was given on the old principle that we should speak no ill of the dead.

Probably the government gesture on the alternative vote was the best of the lot. In 1924, the government went so far as to announce as its considered policy the introduction of legislation putting into effect the alternative vote in single-member constituencies. That was to become the law of the

land; it was announced as the considered policy of the government. That decision was arrived at by a government composed of men of mature years, and led by a premier who must have formed his opinions after careful consideration. But what do we find? After going so far as to put it in the Speech from the Throne, which the government would have the country and the members of this House to-day take as a reason for giving the government support, what did the Prime Minister say in Saskatoon on the 7th of October last, when asked by a person in the audience, "What about the alternative vote?" Less than a year had elapsed since the Prime Minister included the alternative vote in his Speech from the Throne, and in reply to the question he said, "I am coming to see more clearly that the alternative vote will help to perpetuate the group system, and I believe the group system of government bad." I wonder what had come over him to change his opinion in regard to the alternative vote? He thought enough of it to put it in his Speech from the Throne less than a year before; he regarded it then as legislation necessary for this country, but now he admits that he considers it bad. If he considered it bad during that election campaign, I say it is only fair to believe that he considered it bad at the time he put it in the Speech from the Throne, and therefore it must have been put there for some ulterior motive.

There is no more reason to suppose that this Speech from the Throne will crystallize into legislation of benefit to Canada than the preceding Speeches of this government. Why should members of this House seize upon the visionary promises of this government as contained in the Speech from the Throne as an excuse for helping this government to prolong its existence?

One thing this session has developed is what some newspapers have described as a pinch hitter—a pinch hitter in the person of the Minister of Customs (Mr. Boivin). If an air of self-assurance, positive statement, and finality of dictum indicated strength, then this government would be easily victorious, but no one knows better than the Minister of Customs that he is vainly trying to sustain and revive a lost cause. Probably that is saying too much; I will take it back. It is not a lost cause; this government never had a cause. This government is and never has been anything but an aggregation of office holders. It has no principles and no policy; it exists merely for the purpose of holding office. In the words of its leader, it is able only to mark time and draw its salaries. Those are the words of the leader of the government, not mine. Some of those who heard the performance of the Minister of Customs will not soon forget how, when he thought the hour was at hand when he and his colleagues could no longer cling to office, he came to this chamber, probably after an interview with his invisible leader and with his real commander, the hon. member for Brandon (Mr. Forke), and solemnly announced to this House that a vote of want of confidence was not a vote of want of confidence, and that a want of confidence motion was not a want of confidence motion, and that if the opposition amendment were defeated, the government would not consider the vote as a vote of confidence in the government. And so he furnished a nominal excuse, a poor excuse I admit, for some members of this House who had already expressed want of confidence in the government for voting confidence in it; for that is what it amounted to.

10 p.m.

Just to show how circumstances alter cases, the Minister of Customs, representing the government pronounced that that motion was not a motion of want of confidence, and therefore, if the amendment had carried, he would have pronounced it to be not a vote of want of confidence. Contrast that with what took place at Saskatoon on October the 7th, when someone in Mr. King's audience wanted to know if the Progressives had ever been given an opportunity to vote for an appropriation for completion of the Hudson Bay railway. "Yes," said Mr. King, and he went on to say:

> A Progressive motion for completion of the road had been submitted to the House as an amendment to Supply, which was a non-confidence motion. As a result the motion was voted down. To have voted for it would have meant voting for the defeat of the government.

Well, in what respect did that motion differ from the amendment of a few days ago, except that the latter was an amendment to the Address? In what respect did it differ from the motion which Mr. King properly referred to as a motion of want of confidence? Was the pledge of the Minister of Customs kept? It was not kept for five minutes. It was never intended to be kept. Why do I say that? What is Mr. King quoted as saying, immediately after the vote was announced, on being asked for a statement of his views? "No statement by me is necessary," he said, "Parliament has spoken." How, then, did he regard the vote? Did he not regard it as a vote of confidence? What is the meaning of those words: "Parliament has spoken?" In effect the Prime Minister says: Parliament has expressed its confidence in my government, and my colleagues

and I are justified in clinging to office for our salaries, notwithstanding our defeat at the polls. By the grace of that majority of three the ministers are continuing to draw their salaries and the taxpayers are putting up the money. Parliament has spoken, and the ministers here to-night have said they are not ashamed of that majority. Parliament did not speak very loudly; it spoke in hardly more than a whisper. None of the ministers would go so far as to say that parliament spoke with no uncertain sound. I wonder if it spoke loudly enough to quiet the consciences of those members of the House who, although expressing no confidence in the government, voted confidence in it? For that is what it amounted to. Why vote confidence where members have no confidence?

If it was not for the purpose of securing a vote of confidence from parliament, why did the government call parliament to meet on January 7? For nothing else has been attempted by the government, and now, on the termination of this debate, we are asked to adjourn to the 15th of March. Why was parliament summoned? Surely not to ascertain whether the hon. member for Brandon (Mr. Forke) was desirous of continuing the King government in office! If that were all—and that is all that has been done—it was a great waste of time and money. The government can always be sure of the support of the hon. member for Brandon, although perhaps after the unkind and ungrateful remarks made by the premier about the Progressives during the election campaign, it was necessary for the hon. member for Brandon to come down and show the public that he could not be driven out of the ranks of the Liberal party or away from their support, no matter what might be said about him or his colleagues.

The situation is incomprehensible. If the conduct of the government were courageous we could admire it. I do not think it is courage, it is just nerve. To use a slang expression, it is "crust", and if it were parliamentary I would say it was gall. I admire the government's gall for hanging on to office under the circumstances. Its supporters early in the session quoted what they said were precedents for the proposal to adjourn—instances were where new governments had been given time to organize. This is not a new government; it is an old, dilapidated government. If this is a new government, then the defeat of the old government must be admitted. If it was not defeated, what became of it? It is still here. Then it is not a new government and it has no right or fair claim to ask this House for time to organize. It is simply carrying on. The government denies its defeat. The leader of the government has a resolution on the order paper to-day declaring the government undefeated and entitled to carry on. At the same time he says, "Pass the Address and let us adjourn till the fifteenth of March. Why? Because we are unable to carry on and want to organize"—truly an incomprehensible state of affairs. The government wants to go into dry dock for repairs, as a matter of fact, to patch itself up, to gain strength. What for? The better to fight its political battles, the better to oppose us on this side of the House; and yet it complains because we decline to be a party to that performance.

The government seems to have lost all sense of propriety, if it ever had any, and it never showed much evidence of it. In asking the House to support the Address and requesting hon. members to go home till the fifteenth of March, the government did not realize that it could no longer apply the steam-roller tactics of former sessions, when the Prime Minister and the member for Brandon, with a majority of 100 or more, could put through any absurd proposition they chose to introduce. In the language of the comic papers "them days are gone forever" when the government had a majority of 135; now they can succeed only in drawing down their salaries and indemnities, and this they apparently propose to continue to do to the exclusion of all else.

The government was beginning to promulgate through the hon. member for Brandon the idea that we might as well adjourn and go home till the fifteenth of March because we had nothing to do. That was the burden of the song of the hon. member for Brandon. But that idea was suddenly and very effectively dispelled by the startling speech of the hon. member for Vancouver Centre (Mr. Stevens), disclosing as it did the shocking state of affairs in government circles. Since that speech was made no one can say that there is no business to be done by parliament or no work for parliament to do between now and the fifteenth of March. If parliament does nothing else but stand by and strengthen the hand and lengthen the reach of that committee investigating the Customs department the members of this House will have done their duty. This is no time to go home; it is a time to stay here and attend to the country's business.

Although I am fully convinced that the government has in some members of the Progressive party staunch and firm supporters, I must say I was surprised when a member of that group went so far as to move the previous question, the effect of which

would be to bring this sitting of the House to an end as soon as the present debate was over. In short, the effect was to curtail this debate and prevent the moving of any further amendment. I should not have been so much surprised if that move had come from hon. gentlemen who admit that they are members of the Liberal party, but I was surprised to see it come from allies of the government when the effect of the motion is really to weaken the committee inquiring into the charges against the government. As a matter of fact it was playing into the hands of the smugglers, because every ounce of weight we take away from that committee is to the advantage of lawbreakers and those who are robbing the treasury of this country of its just due. One very useful result, from the government standpoint, of the moving of the previous question has been that for a time at least it prevents the taking of a vote of want of confidence. The government is saved from that little formality for the time being.

If anything further were needed than what is now taking place in this House and before that Customs committee to convince the House that serious matters await attention and that problems of vital interest and importance demand solution by parliament, let hon. members look at the order paper. What does it disclose? True, Mr. Speaker, it is barren of government business, but it is bristling with important matters brought forward by private members. It contains inquiries on a good deal over a hundred subjects, entailing some five or six hundred questions on matters of importance to the public. It contains resolutions on over a hundred subjects, many of which entail or should entail legislation, and yet we are asked to adjourn parliament and go home until the 15th of March as if there were nothing to do. Take the very first question:

1. Was $100,000 paid by the government to Bonanza Creek Gold Mining Company in 1924?
2. If so, why was such sum charged in the public accounts as cost of administration of Yukon Territory?
3. Who are the officers of Bonanza Creek Gold Mining Company?
4. Where is head office and place of business of Bonanza Creek Gold Mining Company?
5. On the advice of whom with knowledge of Yukon affairs, if anyone, did the government act in consenting to payment of said sum?

Last year on the discussion of the estimates I asked for information about that item of $100,000 appearing in the public accounts as part of the cost of administering the Yukon, and the government told the House that they did not know anything about it; they did not know how that $100,000 got out of the treasury. They did not tell the House and they have not told the House yet. It would be more in keeping if the government explained that item of $100,000 than if it went home and did nothing until the 15th March. It is only a paltry $100,000, a small item compared with those we heard about from the hon. member from Vancouver Centre (Mr. Stevens) as not going into the treasury when they should have, but ten of those $100,000 items make $1,000,000. That $100,000 item is the interest on $2,000,000. The taking of that amount out of the treasury means that the public debt, the burden of the taxpayers, has been increased by that amount. What is that $100,000 for? Was it to reward some political favourites, or was it to pay for improprieties on the part of the Liberal government and charged up to the cost of administering the Yukon territory? A good deal has been put upon the old Yukon in the way of cost of administration, but this time the Yukon is not guilty. That item has no more to do with the cost of administering the government of the Yukon territory than it has to do with the cost of administering the government of Nova Scotia.

The Yukon was a bonanza for the Liberal government's favourites. By a coincidence gold was discovered in the Yukon in 1896, the same year that the Liberal party came into power. About the time the Liberal party got into the saddle the news of the gold strike reached Ottawa, and the government of that day did not overlook any opportunities for rewarding political friends in connection with that gold discovery. The then Minister of the Interior was Sir Clifford Sifton, and if rumour is correct the same gentleman to-day is one of the close advisers of the Prime Minister of this country. He was on the job as Minister of the Interior in 1896 and succeeding years, and it may interest the House to know some of the history which led up to the payment out two years ago of that $100,000 item.

The mining laws confined the right of persons wishing to take up land for mining to certain limited small areas, in many cases to 100 feet square. That was not enough for some people; there were there people who, realizing their opportunities, and in distortion and in some cases in violation of existing mining laws, came to Ottawa and got grants miles square—in one case of an area of forty square miles right in the heart of the mining lands. Such grants were made to political favourites in Ottawa. In the case connected with this item of $100,000 the government by a distorted administration of the mining laws gave up some five miles of immensely rich mining ground right in the heart of the

Klondyke placers. They did not give merely one; they gave them by the dozen here, there and everywhere. This particular grant was known as the Matson and Doyle grant, but they were merely figureheads. They had no claim to a hydraulic concession; they got no hydraulic concession; the power behind the throne got it. Another particularly nefarious grant was one known as the Bronson and Ray grant made to friends of the government at Ottawa. This was never operated and never intended to be operated by them and it should never have been granted.

The action of the government of that day displeased not only independent people in Yukon, but partisan Liberals. There was almost a riot over it. The government of the day, when they had given away practically all the available land known to be rich in mineral wealth, evolved a scheme which they called the Treadgold concession, by which, instead of allowing lapsing claims to lapse to the crown and be relocated and reworked by miners, they allowed them to lapse into what was known as the Treadgold concession. That was the last straw. The people assembled in mass meetings and elected delegates to come down to Ottawa to talk to the government. They did not elect Conservatives, supporters of the opposition; they elected well-known and prominent Liberals to come to Ottawa and ask the government to call a halt, to keep its hands off those mining lands, to turn back its greedy adventurers who were grabbing for themselves the public domain in such shameful manner. So loud was the protest of the people that the government was forced to drop, to annul, to give back to the public that Treadgold concession and to prevent the delegates from returning and making any report that would be damaging to the government of the day, both the delegates were put into good, fat government jobs and the people of the Yukon knew them no more. The storm of protest was so great that the government was forced to take action, to set on foot an inquiry into its own action in dealing with its lands. The inquiry took the form of sending a judge of the Exchequer court into Yukon to inquire into those cases. In this particular case, the particulars of which I propose to give to the House the concessionnaires, the grantees, were clever enough not to be put on the defence, and instead of being made defendants they filed a claim against the government. Not satisfied with what they had got in the way of plunder, they filed a claim for the moderate sum of $17,600,000 damages against the government, and this is what the judge of the Exchequer court had to try on coming to the Yukon.

As the hour is late, Mr. Speaker, I should like to move the adjournment of the debate before proceeding to discuss what took place at that time.

Mr. STEWART (Edmonton): It is not quite twenty-five minutes after ten and my hon. friend has plenty of time to go on.

Mr. MANION: With the permission of the House I would point out that a number of gentlemen who desire to hear the hon. member would like to catch the trains to Montreal and Toronto at eleven o'clock and I suggest that the minister move the adjournment. The hon. member would speak only for half an hour longer in any case.

Motion agreed to and debate adjourned.

On motion of Mr. Stewart (Edmonton) the House adjourned at 10.25 p.m.

Monday, March 1, 1926

The House met at three o'clock.

ALLEGED FRUIT COMBINE

On the Orders of the Day:

Mr. GROTE STIRLING (Yale): I should like to ask the Acting Minister of Labour whether the interim report of the commissioner who is investigating the alleged fruit combine has been followed by a final report and, if not, if he anticipates the issuance of such a final report.

Hon. J. H. KING (Acting Minister of Labour): The final report has not yet been made. As my hon. friend will understand, the case is at present being prosecuted in court and there will be no report until the court action is completed.

GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

The House resumed from Friday, February 26, consideration of the motion of Mr. J. C. Elliott for an address to His Excellency the Governor General in reply to His Speech at the opening of the session, and the proposed motion of Mr. Bird: "That this question be now put."

Mr. GEORGE BLACK (Yukon): Mr. Speaker, when the House adjourned on Friday evening, I was endeavouring to convince the House and the government that by a glance at the order paper they would see that there were many important matters to engage our attention to much better advantage than by closing up and going home until the 15th March. My particular reference was

to the very first question on the order paper involving an item of $100,000 which disappeared from the public treasury during the year 1924 in a most mysterious manner, so mysteriously indeed that when the estimates were being discussed last year, the government could not tell the House what had become of it or how it had got away. I was endeavouring to give hon. members an insight into the way in which the government of that day had handled the mining lands of Yukon. When bona fide miners and prospectors were limited by law to an area for their mines of 100 feet square, 250 feet square, 500 feet in length, political favourites of the government located at Ottawa were able to get grants of miles square plastered right on to the mining lands of Yukon Territory, thereby depriving independent and industrious miners of any land at all or of an opportunity to reap any benefit from their arduous trip into that northern country and the struggle they were making against the obstacles of nature.

This item of $100,000 had to do with one of those indefensible grants. It was a grant covering some five miles of ground right in the heart of the Klondyke placers, a grant issued in violation of law, in disregard of mining regulations, and obtained by fraud connived at by the government and the government's officials on the ground; otherwise the grant never could have been made. Great public indignation was aroused by the government's conduct in regard to these matters; delegates were sent to Ottawa to protest, and ultimately the government was moved to send into that territory a judge of the Exchequer court to make an inquiry into the numerous and well-founded complaints. The holders of this particular grant, not wanting to be put on the defensive, filed a claim against the government for damages amounting to some $17,000,000 in connection with the government's treatment of them and their bogus grant. Instead of meeting that claim fairly and squarely the government, perhaps being unable to do so as it had been a party to the fraud on which the grant had been issued, filed on its behalf against these claimants an untenable defence. It set up the plea that the grantees had no miner's license and that if they had a miner's license it was invalid. That was a plea that never could succeed. But the judge sent in to try those cases did not inquire into the merits of this case. When he came to the coast he found, unfortunately, that he had a very short time to live, and in every case that had come before him wherever possible he gave judgment in favour of the government of the day. In this case he gave judgment in favour of the government dismissing the claim on the ground that the grantees of the concession had no miner's license and were therefore not entitled to come to court. The case was appealed, and beginning as long ago as 1908 it found its way up through the courts to the Privy Council, ultimately coming back for trial to the Exchequer Court of Canada in 1914.

But something had happened in Canada between 1908 and 1914. The political wheel of fortune had made a turn and a Conservative government was in power. The Liberal government that had granted these nefarious leases was no longer in power to defend its work or to settle with the people who now claimed damages from it. The matter remained dormant from 1914 for ten years, nothing being done. The leader of this party (Mr. Meighen), when this matter was under discussion while the estimates were being considered last session, recalled that he had been approached for a settlement of this claim, but he saw in it nothing but a huge swindle, a gigantic fraud, and he referred those claimants to the court. He said: If you have any claim against the government, go to the court and secure what is coming to you; the government will make no settlement. So from 1914 to 1924 not a move was made. By 1924 the wheel had taken another turn and the Liberal party was again in power at Ottawa prepared to do business with its friends the holders of the concession. What happened? Was the case tried on its merits? No; they made an agreement with the claimants; they went into the Exchequer court, and without a trial they consented to a judgment against the government for $100,000. Because it was a judgment of the Exchequer court, that sum of $100,000 was picked out of the public treasury and handed over without a vote of parliament and without being subject to sanction by the Auditor General. I say that in taking that $100,000 as they did, they performed as neat a bit of official burglary as probably has ever been pulled off in this country. If the claim had merits, why did the government not ask parliament for a grant? They would have had no excuse to give to parliament for any such grant, and no matter how big the government's majority might have been, I do not believe even its majority in the last House of 100 to 135 would have been a party to giving away that sum of $100,000 to those claimants without a trial.

That is a bit of business which this House could very well inquire into even yet. It is true that the money is gone and cannot be recovered, but the public would be interested to know what sort of government

we have had for the past four years. Having seen a Liberal government administer that mining camp in the north I can quite well believe that this government kept the Royal Canadian Mounted Police off the Quebec boundary during the past few years, for the people with whom they were dealing in the north in relation to these mining concessions were the same sort of people against whom the government should be defending the country along the Quebec boundary. In those days the mounted police in Yukon were a mixed blessing. They were charged with the disposal of criminal matters and they did it well, but I say that they were a mixed blessing for the reason that they protected not only the independent crook but the official crook as well. If the same thing had taken place on the American side they would have been minus a few mining inspectors and recorders. Had they been on the American side, Liberal officials in Yukon Territory would have been put on a raft and sent down the Yukon river. And that would have been too good for them. The mounted police were there to protect the just as well as the unjust and the public hand was restrained. I say therefore that we should know more about how this $100,000 was lifted from the treasury. It appears as an inconspicuous little item in the Auditor General's report, a grant to the Bonanza Creek Gold Mining Company charged up under the head of cost of administration in Yukon Territory. As a matter of fact it had nothing whatever to do with the cost of administration of that territory; it was merely a grant to some political concern, or to cover up the tracks of a Liberal government, to pay for improprieties on the part of Liberal officials. And in face of such transactions as I have undertaken to disclose the government says, "What does that matter? Leave us in office." That is the government's plea to this House to-day —leave us in office.

If you go through the order paper you will find lots of items just as important; yet the government says, let us go home until March 15. I see an election petition set out on the pages of the order paper and perhaps the House would not be wasting time if it moved to that order of business and dealt with it. It must be disposed of some day, and why not between now and March 15? Why should we not proceed with the business of parliament? Why should it be held up on the excuse which the government has given us in regard to by-elections? The most important by-election of the lot has been held while the House has been in session and it has not interfered with the session nor did the session interfere with that election. Why therefore can the government not proceed with the others? Since October 29 the government has had practically four months in which to complete its by-elections. It had almost two months before the House met and two months would have been sufficient in which to have all the by-elections held, before meeting parliament. Surely no one is innocent enough to think that the government was deterred by any scruples as to the constitutionality of holding by-elections before meeting parliament, before coming here to get a mandate from the hon. member for Brandon (Mr. Forke) to carry on, and before getting the vote which the Minister of Customs (Mr. Boivin) undertook on behalf of the government not to regard as a vote of confidence.

It was all just a bit of very poor acting. The by-elections were not held before parliament met for the reason that the government was afraid to hold them; it could not make the arrangements to get the vacancies. The government never expected a majority in this House of less than twelve or thirteen. They did not think their majority would be one or three; they expected to put on a demonstration of strength before going to the country in the by-elections. Instead hon. gentlemen opposite gave an exhibition of weakness, great weakness. What is the state of affairs in the country while the government has been putting on this performance in parliament? Is the country prosperous? Prosperity has been just around the corner every time we have had a Speech from the Throne from this government, but it has never arrived and never will so long as the present administration holds on to office. There is depression in business in Canada, there is great unemployment. What is the state of affairs in the Ottawa valley to-day, and where can a man or a woman seeking work get employment? Who is doing any work in the vicinity of this city or in the Ottawa valley outside the great army of civil servants? And what does the government offer to remedy this condition? It offers free fares to immigrants to come to increase unemployment, fares to be paid by additional taxation on the people who are here and taxation on the immigrants after they get here; for someone has to put up the money to pay these passages. The government is offering these people free fares and five year jobs to help bring about prosperity in Canada. I wonder if hon. gentlemen have ever considered giving unemployed Canadians guaranteed jobs for five years. Why should not the Canadians be entitled to the same treatment? Would it not be well to

take some of these out of work people in Nova Scotia and put them on a model farm in the west, giving them free transportation and guaranteeing them five years' employment? That would be much better than bringing in people from northern Europe. Every one of these Canadians is worth five immigrants and there is no reason why we should not keep them here.

When we look at the trade returns of this country we get an idea of the opportunities that are going by the Canadian people. We find last year that we imported no less than $115,000,000 worth of foodstuffs, practically all of which we could produce at home. For instance, we imported from the United States such commodities as flour and fish. Imagine Canada importing flour, fish, eggs, cheese, meat and lard when she could be self-supporting in all these products. And with our ability to grow wheat, and considering the fact that Canada is a great wheat-exporting country, is it not astonishing to find that we imported from the United States in one year $10,000,000 worth of flour and breadstuff? Nevertheless that is what the statistics show. They show further that we imported from the United States $9,000,000 worth of lumber of which $5,000,000 worth consisted of rough sawn material, which is the lumber we specialize in. We imported $9,000,000 worth of paper and nearly $1,000,000 worth of paper pulp. We also imported $23,000,000 in fresh fruits, $16,000,000 in dried fruits and $6,000,000 worth of preserved fruits, with Canadian fruit going to waste. Of milk and milk products we imported $3,000,000 worth, while dairying is one of our chief occupations. The same thing is true in regard to manufactured goods; we find that of clothing, boots, shoes, hats and hosiery, we imported last year goods to the value of $23,000,000.

It is up to this government to remedy that state of affairs, to so legislate regarding trade and commerce that that $115,000,000, or the bulk of it will be kept right here in Canada. It can be done, it should be done. True, this government, through its leader, admitted its inability when it went to the country last fall; he said that it could only mark time and draw salaries unless it had a greater majority of Liberal supporters. Well, where is the government to-day? Can we hope for any solution of our national problems by this government? It has, as I say, admitted that it is unable to solve those problems. What excuse is there, then, for this government to cling to office, outside of its salary cheques? And are its members content to stay here to draw their salaries? Last fall when the Prime Minister went to the country he said he was ashamed to stay any longer and draw the emoluments of office. He appealed to the electorate. Where did he land? He said: This is a time to march forward, not to mark time. What can we hope from the government now but marking time?

There is another item in the Speech from the Throne which perhaps is calculated to bring prosperity to Canada. I do not say whether it is a good proposition or not, but I do say that the House and the country should be given more information about what the government is going to do. I suppose the projected work is destined to help the ports of Vancouver, Victoria, Prince Rupert, Halifax, St. John, Quebec and Montreal. The government is proposing now to spend $50,000,000 to complete the Hudson Bay railway. I do not think the government will deny that that is the expenditure involved. True, no member of the government has told us yet how much is to be expended on this account, but surely the completion of the railway will cost that much, for it will also mean building an artificial harbour at Port Nelson, a fleet of icebreakers and of specially constructed ships to navigate the straits; all this will cost a large sum of money; it cannot be done simply by inserting a paragraph in the Speech from the Throne that the work will be undertaken. In this connection, I quote to the House a newspaper item that caught my eye the other day. As I say, the Hudson Bay railway may be a necessary public work for the Dominion, but, I repeat, the government would be better occupied giving this House and the country particulars respecting this undertaking than attempting to adjourn the House until March 15. This item is from Regina, Saskatchewan, under date of February 5:

> The board of directors of the Saskatchewan Elevator Company met to-day and approved the building of a 900,000 bushel storage addition to the Saskatchewan Co-operative Elevator Company terminal transfer elevator at Buffalo, New York. The addition will give the company 2,000,000 bushels of storage space at Buffalo, and a total storage capacity at the head of the lakes and Buffalo of 17,100,000 bushels. The contract for the foundation work for the new structure has been let to the D. E. Horton Construction Company, Buffalo. The addition will be completed early in July.

This action on the part of the Saskatchewan Elevator Company is not calculated to increase the use of Canadian ports, and yet the people around Regina are among those in the west who are advocating the completion of the Hudson Bay railway. I wonder what they have to say about this increased elevator capacity at Buffalo. Why should they add 900,000 bushels capacity to the elevator there if the grain is to get an outlet through a Canadian port? If the grain growers of Saskatch-

ewan prefer Buffalo and New York to Vancouver and the St. Lawrence, is it likely that they will use the Hudson Bay route in preference to the American route? I do not think it is reasonable to expect that they will.

Another indication of the unsatisfactory condition of affairs in Canada to-day is shown in the volume of settlers' effects that have been taken out of the country in the last three years; their value amounted to $26,000,000, as against a value of incoming settlers' effects of only $18,000,000. That is an indication of the so-called "prosperity" spoken of in the Speech from the Throne. In the past four years we find that 460,000 immigrants came in, while 456,000 walked out—ran out, as an hon. member suggests. Those people were forced to leave Canada to gain a livelihood; they would have preferred to remain here if they could have found work. The bulk of the half million or so we lost were our own Canadians, compelled to leave their native land because there is no employment for them here. Yet we talk of free fares for immigrants and five-year jobs!

I repeat, Sir, the House is entitled to require from the government information as to what is proposed to be done to complete the Hudson Bay railway, whether the country is to be asked to put up $50,000,000, $40,000,000, $30,000,000, $20,000,000 or whatever the contemplated expenditure may be. We should have this information now, not after March 15. For the government to say that the Hudson Bay railway is to be completed "forthwith" means nothing from this government. It has used that term before.

Speaking of taxation, how can Canada hope to get or hold immigrants, or even to retain her own people here when the scale of taxation in the great prosperous and populous democracy to the south of us is so much less than it is in Canada? It cannot be done. The newspapers told us late last week that the United States income tax reduction bill has been passed into law. What does that mean? That some $350,000,000 of taxation is cut off the taxpayers' bill. It was small enough before in comparison with ours. It means that some 2,300,000 Americans have no income tax to pay. That is good business for the United States, but it is pretty hard on Canada. To-day the United States income taxation is not more than one-fifth of what we have to pay. That being so, how can we hope to make any success of an immigration policy? How can we hope to hold our people or to get fresh capital or even to hold the capital that is here?

The worst feature of the whole situation is that there is no prospect of an early change. We cannot hope for any betterment of conditions from this government. That is my opinion of the administration. But let me quote someone whose views should have more weight with hon. gentlemen across the floor; I quote the Prime Minister himself. He gave the public that opinion—he made that admission when he appealed to the country last fall. He said if he had been able to solve the problems of the Dominion with the majority he had in the House at that time he would not have gone to the country until 1927, but as it was hopeless to attempt to do so with the parliamentary support he then had, he put it up to the people to help him out with an adequate majority. So I think I am justified in saying that the worst feature of the situation is that there is no immediate prospect of a change for the better. Unfortunately there may be a prospect of a change for the worse. The fiscal problem was one of the four great problems that the Prime Minister in his manifesto said he could not solve. It has not been solved yet. He gave up governing the country on September 5 last because he could not solve those problems. What is he holding on to office for to-day? What is there in it for the country? What is there in it for him and his colleagues except their salaries? The mere fact that the King government is in office effectively prevents any revival of business activities in Canada, for under its unstable management and its unscientific tinkering with the tariff capital will not take a chance in enterprises that would restore prosperity. With this government tariff-tinkering to catch votes in certain localities, with its promises of special legislation calculated to secure a vote here and a vote there, do you blame capital, Sir, for not branching out? Do you blame capital for preferring to sit tight? That is the state of affairs in this country to-day, and, Mr. Speaker, the government might as well face the music now as just a little later on.

What is the need of an adjournment? This House is practically complete. There is a member here for every constituency, except Regina. A member has been sent here by the electors of each constituency of Canada, and it is the duty of the government with the material at hand to carry on. It would be different if there were eight or ten vacancies and the government asked for an adjournment to fill the vacancies. They might very well say they should get it at the hands of parliament, but with every constituency represented,

the people having made a complete answer to the government's appeal of last fall, why adjourn the House to enable them to patch up—to make repairs? If we were adjourning to fill vacancies that would be public business, but if the government creates vacancies by inducing some of its supporters to resign, that is not public business. It is a political manoeuvre and nothing else, and we should not be asked to become parties to the government's political manoeuvering. That has nothing to do with the business of the country. The government cannot get any more supporters in the House by by-elections. That is a physical impossibility. The Prime Minister selected a bomb-proof dugout in Prince Albert, where he had no chance to lose, but there are not enough Prince Alberts to go around. The government's candidates are going to be opposed and some of them are going to be defeated, perhaps all of them, and the government will then be worse off than it is to-day.

Mr. STEWART (Edmonton): Great optimism.

Mr. BLACK (Yukon): Why not go on as the government is now constituted? Why make a bad mess worse, and with nothing to justify the government's course in hanging on, which it is doing, with no known precedent to sustain it? Talk about cricket; the leader of the House (Mr. Lapointe) had the temerity to stand up in the House and say that the opposition was not playing cricket. They admit that with a full House they are not able to carry on. They want us to give them till the 15th of March to get stronger, so that they can do what? Take a firmer hold on their offices and the emoluments with which the Prime Minister was not satisfied—

Mr. STEWART (Edmonton): Is that the reason you are stopping the adjournment?

Mr. BLACK (Yukon): Is that a serious question coming from the Minister of the Interior?

Mr. STEWART (Edmonton): Quite serious.

Mr. BLACK (Yukon): The minister asks, is that the reason we are stopping the adjournment? This opposition declines to be a party to the adjournment, because it is not in the public interest to adjourn. The government can cite to the House no reason for adjournment in the public interest. If they can they have not done it yet. All the Minister of Justice, the leader of the House, said was " We want time to hold by-elections" to play politics to strengthen us. Yes, to do what? "To fight you, the opposition," and then they complain because we will not be a party to that.

Mr. STEWART (Edmonton): I would not let them get stronger, either, if I were you.

Mr. MEIGHEN: Nobody else will.

Mr. STEWART (Edmonton): It is an awfully good reason, though.

Mr. BLACK (Yukon): They want to take a firmer hold of their salaries and the emoluments of office, but so far as solving the great problems of the country goes, the Prime Minister admitted he was unable to do that. He could not do it with 134 or 135 majority. How can he do it with the following he has at present in this House? Oh, but he does want to be Prime Minister, and his colleagues want to remain in office. He admittedly is hanging on to office for what there is in it. I do not want hon. members to feel offended when I say these things, because I am only repeating the words of their leader.

Mr. STEWART (Edmonton): Do not worry about that. You have repeated the statement forty times.

Mr. BLACK (Yukon): On Friday night I quoted the Prime Minister's words, and the Minister of Public Works objected to the expression used by the Prime Minister which I quoted.

Mr. STEWART (Edmonton): The way you quoted it.

Mr. BLACK (Yukon): The Minister of the Interior says "The way you quoted it." Now, hoping I may be able to suit him and his colleagues, I will take occasion to quote it again before I am through and perhaps this will suit him better.

Mr. STEWART (Edmonton): Make it fifty times.

Mr. BLACK (Yukon): When I quoted the uncomplimentary, unkind, ungrateful, contemptuous and hostile remarks of the Prime Minister about his faithful and long-suffering allies, the Progressives, led by the hon. member for Brandon (Mr. Forke), the Minister of Public Works objected to the term, and what was the term used? The term used by the Prime Minister was that the Progressives were outlaws in parliament. I do not wonder the Minister of Public Works objected.

Mr. MOTHERWELL: Will the hon. member tell us what he is quoting from when he makes that statement?

Mr. BLACK (Yukon): I will do that, too. In quoting those numberless statements, contemptuous statements by the Prime Minister in regard to the Progressives, I was quoting from such journals as the Ottawa Citizen, the Regina Leader and the Canadian Press, right clean across the continent from Vancouver to Halifax.

Mr. STEWART (Edmonton): Newspaper statements do not stand now.

Mr. MOTHERWELL: I was at several meetings and there was nothing like that.

Mr. BLACK (Yukon): Does the Minister of Agriculture, or the Minister of the Interior, or any other member of the government deny the reports? Do they pretend to say that the Prime Minister did not make use of those words?

Mr. MOTHERWELL: I was at three of the Prime Minister's meetings in Saskatchewan, and there was nothing even resembling such statements as have been made by my hon. friend.

Mr. MANION: He said it in Ontario.

Mr. BLACK (Yukon): Perhaps the hon. minister expects the Canadian Press to be doubted. Perhaps the minister expects the public to take his word, or that I will, against all those Canadian Press reports. He does not contradict me seriously. He does not mean it.

Mr. MOTHERWELL: I am only speaking of what I know, having attended three meetings.

Mr. CLARK: How many meetings did he hold, and did he make the same speech at every meeting?

Mr. BLACK (Yukon): When I quoted the Prime Minister's references to the Progressives, on Friday night, the Minister of Agriculture interjected "That is from some Tory rag," and he thought he had disposed of it. I wonder if he would call the Manitoba Free Press a Tory rag. I will read what the Manitoba Free Press says about him.

> If Mr. King, as a result of his organization, is not able to produce a government with more decision and punch than the one that appealed to the country on October 29, then it is not worth while going ahead with the proposition. If that is the kind of government that reappears after the recess of parliament, the end will not be far out of sight. Something a good deal better is required. The country is not hankering for a general election, but it will not be satisfied with a process of backing and shuffling at Ottawa that has for its object the keeping of a certain set of politicians in office.

That is not exactly a Tory rag. It is a good Liberal organ, talking about the Minister of Agriculture. It refers to the Minister of Agriculture as one of the set of politicians in office, and that, Mr. Speaker, is the whole head and front of the government's case, to hang on to office. They cannot get away from it. As a matter of fact, this government has sunk to such depths that the Free Press cannot follow it any longer. It wants something better than that set of politicians in office. The government that went to the country in October is the same government, it is composed of the same gentlemen who occupy the treasury benches to-day, and the Free Press says we have got to have something better. But the prospect of producing something better is certainly not very bright. The public mind is simply shocked at the lack of self-respect exhibited by this government. It is admittedly, through the mouth of its Prime Minister, hanging on to office—for what? For the loaves and fishes, for the spoils of office, for the salaries and emoluments. The Prime Minister admitted that there were great problems pressing for solution, and that he could not solve them; he could only mark time and he and his colleagues draw their salaries and enjoy their emoluments. I ask them to-day, what do they propose beyond that? What accomplishment can the country hope for beyond that? I think I am justified in using that language; as a matter of fact, it is not my language, but the Prime Minister's own. If any hon. member disputes that I refer him to the files of the public press. Look over the files of the Regina Leader; I did that myself this morning. I have quoted Canadian press despatches of the Prime Minister's speeches, some from Liberal and some from Conservative papers, also, despatches carried by the Canadian Press, which is an impartial service sent to all the newspapers of Canada. I was not quoting editorial comment, but simply news items.

Mr. Speaker, the government's plain duty is to hand in its resignation. As some objection has been taken to my quoting the Prime Minister's remarks in regard to the government's allies to my left, I might as well pursue that theme a little further. The Minister of Public Works said, "I object to that term," referring to the term "outlaws in parliament." Mr. Speaker, the Prime Minister would not use that term to-day to the Progressives in this House; he would not dare to do it, but he had no use for them then. He thought he was through with the Progressives. He never thought he would have to go to them with his hat in his hand, begging for the continuance of his political life. But there they are, begging to be

allowed to continue to draw their salaries. The Prime Minister admitted that that was all he and his government could do, and now he is begging for support from the people, the Progressives, of whom he said, "They will think twice before voting us out and so relinquishing their $4,000 indemnity." That is the way he sized up the Progressive party. That is worse than if he had said they were purchasable by legislation, which is not parliamentary.

I say again, that no government having branded certain members of this House as outlaws, as a holier-than-thou group, as a group that thought more of its $4,000 indemnity than it did of its independence, as a group whose usefulness was at an end, as a group that had practically disappeared, as a group that was standing in the way of the interests of the west, as a group that was simply helping to make the west ridiculous—I say that no government that has branded a party in this House in those terms can retain its self-respect and accept favours at their hands.

Mr. STEWART (Edmonton): May I ask a question? Is the hon. member serious in making the dozen or two statements he has just made, as to the exact words of the Prime Minister?

Mr. MEIGHEN: He said it over and over again.

Mr. STEWART (Edmonton): Mr. Speaker, when an hon. gentleman rises in this House to ask a question, it is rather a strange thing the leader of the opposition (Mr. Meighen) cannot let the hon. member answer.

Mr. MEIGHEN: The leader of the opposition will not interfere with his answering. If there is anyone in this House who interferes constantly, it is the Minister of the Interior (Mr. Stewart).

Mr. STEWART (Edmonton): The whole onslaught is being directed against the Minister of the Interior and the government. The Minister of the Interior will take care of himself as well as the government. All I am asking the hon. gentleman, and I hope this time he will at least give me a direct answer, is this: Is he honest in attributing all those adjectives he has just used to the Prime Minister of Canada? Does he infer for a moment that the Prime Minister made those statements at any public meeting or at any place, with the single exception of the first statement? That I have not contradicted, although I have very grave doubts whether it ever was made.

[Mr. George Black.]

Mr. BLACK (Yukon): Will the minister repeat the statement he admits the Prime Minister made?

Mr. STEWART (Edmonton): The statement that—I do not admit any statement. I said I had grave doubts whether it was authentic.

Some hon. MEMBERS: Tell us that one.

Mr. STEWART (Edmonton): Will hon. members give us a chance, because before the session is over you will perhaps be glad you did give us an opportunity to speak. My question was this: Does the hon. gentleman want this House to believe that the ten or a dozen adjectives he has attributed to the Prime Minister were statements made direct by the Prime Minister at any time?

Mr. BLACK (Yukon): When the Minister of the Interior got up to catechize me—

Mr. STEWART (Edmonton): Mr. Speaker, I got up to ask the hon. member a question.

Mr. BLACK (Yukon): I take back the word catechize because I would not allow him to catechize me. The minister asked me if I was serious in quoting all these adjectives, with the exception of the first statement, and I asked him what he means by that first statement which he accepts.

Mr. STEWART (Edmonton): I made it very clear that I did not accept it.

Mr. BLACK (Yukon): I am sure, Mr. Speaker, that you and the House must be impressed with the frankness of the minister after having heard him say, as he did in plain language just a few minutes ago, "with the exception of the first statement." He had evidently something in his mind. What statement was it he accepted? When I asked him to tell me which one it was, he says now he does not accept anything. I say this in reply to the Minister of the Interior: I am quoting from Canadian Press reports of the Prime Minister's campaign speeches across the Dominion of Canada. I have quoted from papers regardless of their editorial political leanings. I have quoted from despatches sent out by reporters who attended the meetings at which the Prime Minister made these statements, and who telegraphed them to their papers. Furthermore, I do make them seriously, and I make them expecting them to be believed, knowing they are believed by the Minister of the Interior himself.

Mr. STEWART (Edmonton): I must object to that statement. The Minister of the Interior does not believe them.

Mr. BLACK (Yukon): Well then, all I can say is the Minister of the Interior is softer than I took him for.

Mr. STEWART (Edmonton): You will probably find out before you get through with him.

Mr. BLACK (Yukon): He might not want to believe them. I can quite believe that the Minister of the Interior, the Prime Minister, and every other member of the government, would wish the Prime Minister had never said these things.

Mr. STEWART (Edmonton): May I ask another question? Will the hon. gentleman give us the papers from which those quotations were made?

Mr. BLACK (Yukon): I shall have great pleasure in looking up all the references and giving them to the minister. They cannot be expunged, they cannot be wiped out; I am quite safe in giving them to him. They can be found in the files of all the newspapers of Canada, in the library of this parliament, in newspaper offices, in the archives.

Mr. STEWART (Edmonton): I only want the quotations.

Mr. BLACK (Yukon): I hope to assemble a large number of them for the edification of the Minister of the Interior. I will undertake to do that just as soon as I get through. I am not surprised that the minister is shocked, not surprised that he objects to these statements.

Mr. STEWART (Edmonton): I am not shocked; I only want the proof, that is all.

Mr. BLACK (Yukon): It was one thing when the Prime Minister, thinking that he was going to persuade the country to his views, thinking that he was going to get a majority of his own supporters, denounced the little group on which he has been depending for the past four years for the existence of his government—that group that he thought was going to be wiped out. But it is not so pleasant when he finds to-day that more than ever he is under an obligation to, and even under the thumb of, the Progressive group and the Progressive leader. I wonder if the Minister of the Interior will say that the press reports of the premier's manifesto delivered at Richmond Hill were not correct?

Mr. STEWART (Edmonton): I never said so.

Mr. BLACK (Yukon): Will the Minister of the Interior say they are correct?

Mr. STEWART (Edmonton): I was not there; I did not hear the speech. I want to make it clear to my hon. friend that I am not raising any objection to any statement he is going to make about the Richmond Hill speech. My objection is rather to the other statement.

Mr. BLACK (Yukon): I do not take the interjection of the Minister of the Interior as one of unqualified approval, though he says he does not object. I wonder if the minister objects to the press reports of the premier's speech at the Parker picnic, at Erindale, Ont. on 9th September, when he is reported as saying, although perhaps he did not say it:

> You can never get the big problems solved unless you have a majority strong enough to allow you to act without fear or favour. If I were faced with the situation of the past four years I should ask for dissolution again.

I wonder if the Prime Minister would not like to expunge that statement? I wonder if the Minister of the Interior would not prefer to have that statement unsaid just as much as he would the unkind remarks made by the Prime Minister against the Progressive party.

Mr. STEWART (Edmonton): No, I am not raising any objection to that statement. There was no reflection on a Progressive member or anyone else in that statement.

Mr. BLACK (Yukon): No, Mr. Speaker there is no reflection on a Progressive or anyone else; but there is a definition of the government's policy and the government's stand which the administration does not dare to take to-day. Does the government say that the big problems of Canada can be solved by it?

Mr. STEWART (Edmonton): Yes.

Mr. BLACK (Yukon): Then it would be refreshing to see some headway made. We have been here nearly two months, and as yet there has been no business submitted to the House. The only thing submitted to parliament has been the Speech which the government placed in the mouth of His Excellency, but it does not foreshadow anything of substantial benefit to the people of this country. No, the Prime Minister says: You can never get big problems solved unless you have a majority strong enough to allow you to act without fear or favour. Has the government got a majority now strong enough to enable it to act without fear or favour?

Was the Prime Minister correctly reported in the Moose Jaw Times-Herald of 29th September when he is alleged to have said at Regina:

> He was convinced that a government without a large majority in the House could not govern Canada with all its problems.

Well, now we have got a government without a large majority in the House, and there is an admission by its leader that it cannot govern Canada with all its problems. If it cannot why is it hanging on to the treasury benches? What does it hope to do? What is the alternative?

If the government had possessed a large majority it would not have been necessary to appeal to the country, and an election would not have been held until 1927.

The government went to the country because the situation was hopeless; it could not get ahead. But what can it do to-day?

Realizing that the country was faced with problems which could be solved only by a government with a majority in the House of Commons a decision had been made to appeal to the people.

Well, the people gave the government its answer. It gave my hon. friends across the way their answer, and they are not willing to take it. What was the sense of appealing to the people—prefacing the appeal with the statement that the situation as it was then was hopeless —if on coming back to a worse situation the government is going still to hang on to office? I say that the pronouncement made by the Prime Minister for his party to the public of Canada ought to be taken seriously, and ought to be adhered to by the Prime Minister and the government and by their supporters. It should not be lost sight of for one minute, and for my part I do not propose to allow the government to lose sight of it for very long. The Prime Minister further said:

4 p.m.

Is it sufficient that as a government we should continue in office drawing our indemnities and salaries as members and ministers and enjoying the other fruits of office when great national questions press for solution, which for want of adequate majority in parliament we are unable satisfactorily to cope with.

If that was the position of the government when they had a majority of 134 members what can it do to-day when its majority has been reduced to one varying from one to ten? Am I unfair when I quote the Prime Minister as making that statement? The Prime Minister asked:

Is it sufficient that as a government we should continue in office drawing our indemnities and salaries as members and ministers and enjoying the other fruits of office when great national questions press for solution—

The Prime Minister was not satisfied that the situation was sufficient. That is the reason he went to the country. I ask the Minister of the Interior is he satisfied that it is sufficient to-day? If it is not sufficient why do not hon. gentlemen on the treasury benches comply with the verdict of the people and get out? Surely the people asked them plainly enough to go. The Prime Minister predicted that he could continue to hold office. Here is what he said:

Let me recall what I said a moment ago—as a government we can continue to hold office; we could I believe so arrange our sessional programme as to continue to command in the House of Commons a support equal to that we have had during the last four years, but I doubt if we could do more than that—almost we would be reduced to marking time. This is not a moment in our country's affairs in which to mark time. It is a time to march forward.

How much marching forward could he do? It was evident he could stay in office no longer, and so instead of waiting until 1927 he dissolved parliament and went to the country. And now he is worse off than he was then. Yet now he and his colleagues are satisfied to stay here and draw their salaries and indemnities and enjoy the sweets of office. How are the government going to get away from that stand, except by admitting that it is willing now to stay and do what the Prime Minister was ashamed to do at the time referred to. I should like to hear how the government get around that situation; I should like to hear how any explanation can be given that will compare the situation in September last with the situation to-day to the advantage of the government. Let the government, for once in its life, be candid and deal with the situation. Let it show the House how it is going to improve the situation which the Prime Minister complained of. How is the government going to solve the four great problems selected by the Prime Minister—transportation, immigration, the fiscal question and Senate reform? If the government could not deal with these problems during the past four years, how is it going to do so to-day? In what way has the government bettered its position? That, Mr. Speaker, is the government's whole impossible case as stated by its leader, and its whole unthinkable plea is, "Let us stay in office."

I have just had placed in my hands a copy of a paper which, no doubt, has some standing in this House with certain members —I refer to the Grain Growers' Guide. In its issue of Wednesday, October 7, 1925, that journal published the following statement:

Mr. King Offers Bribes

Realizing that he will lose considerable support in the eastern provinces, Premier King is employing desperate tactics in an effort to win Liberal seats on the prairies. During the past four years he employed every art to lure the Progressive members into the Liberal camp. Last fall he toured this country gently wooing the electors, but he made no impression. Last week, however, on Tuesday evening at Neepawa, Wednesday evening at Regina, and Thursday evening at Calgary, he adopted a species of bribery. He urged the electors to abandon the Progressive candidates and elect Liberal members to parliament, holding out a promise that if this were done he would be able to fulfil his pre-election pledges on tariff reduction, the Hudson Bay

railway and others. He has stated that the Liberal party, with 117 members in parliament, had but a majority of one, and consequently, could not fulfil its pre-election pledges. "It isn't that the government does not want to do the things you want," declared Mr. King, at Neepawa. "You don't make it possible for us to do them," he said, and he pointed out that the only way by which the government could carry out these pledges was by having a clear working majority of staunch and reliable Liberal members.

Not Progressive members. The government has not a clear majority of staunch Liberal members. Therefore it follows as a natural course that it cannot carry out its pledges, and if it cannot carry out its pledges why does it wish to continue its miserable existence in this House? The government's plain duty is to hand in its resignation to His Excellency and to advise him to call upon the leader of the Conservative party (Mr. Meighen) to form a government. When that is done business will revive and the exodus to the United States will stop. Immigrants will find a country able to assimilate them and give them remunerative and satisfactory employment. There will be no need to bait them here with free fares and a guarantee of a five-year job. Canada will attract population on its merits just as people are now attracted to the United States, and there will be no necessity for artificial inducements to lure people to come to this country. Canada will awake from her four years of stagnation and confidence will be restored. The government of the country will again function in a dignified and efficient manner after nearly five years of worse than marking time while, as Mr. Mackenzie King puts it, he and his colleagues have been drawing their salaries and indemnities.

Mr. I. D. MACDOUGALL (Inverness): Mr. Speaker, if your native modesty rises not in revolt against the many eulogies sounded in your favour by hon. members, may I, the youngest member of this House, youngest in years and in parliamentary experience, be permitted to add my humble tribute to those so eloquently expressed by previous speakers in this debate? My observations in this House lead me to affirm that you, Sir, possess all the requirements, all the attributes, which should properly distinguish one in the dignified and exalted position which it is your privilege to occupy. In honouring you this House has done honour to itself.

Before entering upon a discussion of the legislative programme outlined in the Speech from the Throne, let me state that it is not my purpose to indulge in carping criticism, or with bitter invective to upbraid the Liberal party or any other party. True, hon. members are not of one mind politically; we differ in our judgment as to methods and policies; but fain would I believe that there is a common ground, a plane far exalted above the somewhat sordid level of party politics, upon which we the representatives of the Canadian people may meet and agree. May we not of this fact make common cause, that irrespective of political affiliations we all desire to serve and advance a great, a common country, to which we owe a mutual allegiance and a mutual love?

To my mind, there is in this country a question more important than any or all the specific measures outlined in the Speech from the Throne, aye, more important than any amendment that could be suggested to that Speech. That question is whether or not the spirit of confederation is to endure in this land, or whether it is to be supplanted by sectionalism and selfishness bearing in their wake, as they inevitably must, disintegration and political chaos. Liberals, Conservatives, Progressives or Labour—all will admit that confederation was a great ideal—a goal worthy of the far-seeing and patriotic men who consummated it; but confederation was born of good faith and a sincere desire among the provinces to help bear one another's burdens. It is this spirit of good faith, unity, co-operation and sympathy between the provinces that the people's representatives in parliament must ever jealously guard, cherish and foster. Unless the provinces, the integral factors of Canadian union, are willing to work together in peace and harmony, Canada cannot achieve its highest political destiny; confederation itself may not endure. In order to prevent illwill and suspicion in the relations between the provinces, the federal government must be in a position to mete out even-handed justice to every province in this Dominion. If there is in the minds of the people of any province or provinces even a well-grounded suspicion that their rights are not being protected and their interests not being fully represented in this government, a situation fraught with dangerous possibilities to Canadian unity may well develop. To guard against any such fatal consequence, the federal government, which is supposed to be a government of all the people and for all the country, must be able to comply with two important conditions—conditions without which that spirit of co-operation and goodwill so essential to national unity cannot be maintained. These conditions are, first, the representation of all the provinces on a fair basis in the cabinet councils of this government; secondly, the ability of this government to formulate a legislative

programme suited to the needs and requirements of every province in this Dominion; not specially designed to catch the votes of a particular group or to placate a particular section of this country. The present government, and it is not my purpose to abuse or to deride it, is clearly incapable of supplying either of these two conditions, without which unity and goodwill cannot prevail between the provinces of Canada. Take the matter of cabinet representation. We find to-day that four important provinces in this Dominion, and one of the four the most populous, have no minister—no voice whatever in the cabinet councils of the government. Is that a situation that makes for goodwill, sympathy and harmony between the provinces? Nor is this government free; not even its most enthusiastic supporter would contend for a moment that it is free to bring down a legislative programme suited to the requirements of the whole country. This government can bring down only such measures as it thinks will meet with the support of the Progressive group in the House. In order to retain power it must always trim its sails to catch Progressive breezes. It cannot bring down legislation which it may think necessary in the interests of all the people of Canada and of all the provinces. As has been said in this House, the government can act only by the grace and with the permission of the hon. member for Brandon (Mr. Forke); unless his spirit moves it, it cannot move at all.

Now this country requires stable government; it requires a government capable of taking forward steps. There are great problems crying for solution in Canada to-day; the problems mentioned by the Prime Minister at Richmond Hill are just as acute at the present moment as they ever were! For nothing has been done by this government to solve those problems since the Prime Minister made his announcement at Richmond Hill. Consequently this country demands a government which will be able to make some progress in the interests of the people as a whole. In face of this situation, with our people clamouring for action on the part of the government, we have in power an administration which is transfixed, motionless, and incapable of motion, like Joshua's sun in Ajalon. A striking exemplification of the impotency, I might add the political and moral cowardice, of this government is to be found in its unwillingness or its inability to formulate a national fuel policy for this country. This is a question of great national importance, which vitally affects the industrial and commercial welfare of all Canada. If our country is to attain that proud position industrially and commercially of which it is certainly capable, our government must take immediate steps to make Canada independent of foreign countries in the matter of its fuel supply. If we do not do this we must be content to remain a vassal state in respect of industry, manufacturing and commerce. It is impossible to over-estimate the importance of coal in the industrial development of any nation. Students of economic history have attempted, and successfully attempted, to explain the growth of such countries as England, Germany and the United States in wealth, in power and in population, solely in terms of their coal industries. Writing on this very subject Professor Van Hise of Wisconsin university in a book entitled The Conservation of the National Resources of the United States, says in respect of coal, to which he attributes the industrial and commercial supremacy of that country:

> Coal is by far the most important of all the mineral products. Next to coal in importance is iron. These two are of much greater consequence than all the other mineral products combined. The existence of extensive coal and iron fields has profoundly influenced modern civilization. The greatest commercial nations are England, America and Germany and each owes its industrial greatness to its extensive coal deposits.

Indeed, coal and iron may be described as the twin foundations of modern manufacturing industries and of commerce. They are at the same time the principal source of national power, wealth and population. In this respect England furnishes a very apt and at the same time a very striking example. In the century from 1600 to 1700, when England depended principally upon agriculture, and, a little shipping and commerce, the population increased by only 25 per cent; and from 1600 to 1760, while England in the latter part of that period still depended primarily on these three activities the population increased by 35 per cent. About the year 1760 there occurred what students of industrial history are pleased to term the industrial revolution; this was a revolution in methods and practices based fundamentally upon the use of coal in industry. If we take the 150 years from 1760 to 1910 we find that the population of England increased not by 35 per cent, as in the previous 160 years, but by 455 per cent. We find that even to-day England attaches great importance to its coal industry. This is shown by the fact, that the British government classifies it as one of the key industries of the country, and it may be of interest to certain gentlemen who are disciples of the Manchester school to note that as a key industry, whenever England's coal industry becomes threatened by outside com-

petition, it can be immediately protected by a duty of 30 per cent. Similar tendencies showing the importance of coal in national development can be discerned in the industrial history of Germany and the United States, where in both cases a marked increase in national wealth, power and influence is found to have resulted from the development of their extensive and important coal resources. Knowing that the industrial and commercial supremacy of England, America and Germany is largely due to the fact that these countries wisely conserved and used their great coal resources and so maintained their independence of foreign countries in the matter of their fuel supply, it is certainly logical to contend that if Canada is ever to attain that "place in the sun," industrially and commercially, which a bountiful nature ordained to be ours, this government must take immediate steps to formulate a national fuel policy. There is no good reason why in the years to come Canada should not occupy an important, if not a pre-eminent, position in manufacturing, in commerce and in industry. We cannot do this if we continue to be as we are at present, dependent upon a foreign country for our fuel supply.

Now I wish, Mr. Speaker, to lay before this House the situation which confronts the Alberta and Nova Scotia coal operators, but not in any partisan spirit, for this is a real national problem which should be solved by the government. Our chief manufacturing provinces are Ontario and Quebec, situated in central Canada. On the other hand, our coal deposits are situated in the extreme east and west in the provinces of British Columbia, Alberta and Nova Scotia, and to some extent also in New Brunswick. Up to the present time the central provinces have been depending principally, if not entirely, upon the United States for their supply of both anthracite and bituminous coal for domestic and for steam purposes. Last year, taking into account the amount of the American coal used for coking, the importations of United States coal into central Canada amounted to 15,000,000 tons. Which means, Sir, that 120,000,000 good Canadian dollars were sent to the United States to provide employment for their miners. And while this was going on, the miners of Alberta and Nova Scotia in many cases were walking the streets in search of employment and their families were threatened with starvation.

I have tried to point out from the industrial history of other countries the great importance that we should attach to formulating a national fuel policy. But aside altogether from that consideration, we may approach it even from a selfish point of view. If the provinces of Ontario and Quebec say that they should purchase their coal where they can get it cheapest, I want to show them that they can no longer continue to rely upon the American coal operators and expect to get their fuel at the same prices as they have been paying in the past. In other words, I want to show briefly the tendency in prices of American coal in the future as I see them. Let me take the anthracite supply first. The householders of Ontario and Quebec have been depending almost entirely upon American anthracite for their domestic needs. Those of us who have given any study to the coal industry of the United States, know that competent geologists estimate that the present available supply of their anthracite coal will be practically depleted within the next quarter of a century—for no longer than twenty-five years at most will the provinces of Ontario and Quebec be able to obtain American anthracite coal. But long before that time elapses, perhaps within the next decade, the United States will not be producing enough anthracite coal to satisfy their domestic demand, and if the people of the central provinces continue the present policy of depending upon American sources of supply for their domestic fuel, they will find that within the next decade American anthracite will be a luxury and that they will have to pay the price of a luxury to obtain it. I venture the prediction, that within the next ten years the people of Ontario and Quebec, if our government does not bestir itself and formulate a national policy to enable them to get Nova Scotia and Alberta coal, will have to pay for whatever American anthracite they can get, not $17 a ton as at present but more like $25 or $30 a ton. I might point out that at the present time two of the anthracite coal areas which were important sources of supply, the Carbondale and Scranton districts, have already petered out.

When we come to bituminous coal, we find there are also certain tendencies which should convince one that the price of American bituminous coal will be on the upgrade in the years to come. Sixty-five per cent of the American bituminous coal which comes into the St. Lawrence market in direct competition with Nova Scotia and Alberta coal, is from the unorganized coal fields in the United States. As hon. members know, there was a time in the history of this and every other country when workingmen were denied the right to organize and to deal with their employers through collective bargaining; but that day has passed. Public opinion to-day

grants to labour the right of collective bargaining. The fight is going on in those unorganized coal fields of the United States on behalf of the men to get this right acknowledged by the operators. And I venture to say that within the next year or two, those unorganized fields, which, now supply sixty-five per cent of the American bituminous coal coming into direct competition with Nova Scotia and Alberta coal, will be organized. The result will be that these men will rightly demand the same scale of wages and the same working hours that obtain now in the organized bituminous coal fields of the United States. That will increase the price of American bituminous coal, and the American operator sending his product into the St. Lawrence market will pass that increased cost on to the consumer in Quebec and Ontario in the form of a considerably increased price for his coal.

Nova Scotia at the present time is suffering from a very severe and, I might say, very unfair competition in the St. Lawrence market. When we realize that in the United States they have a bituminous coal area of 496,700 square miles, we must appreciate what Nova Scotia is up against in trying to help in giving Canada a national fuel policy. Then again. the majority of the coal fields in the United States are inland, while many of our workings in Nova Scotia are submarine. Everyone acquainted with coal mining knows that it is much more difficult to operate a submarine mine, because you have very heavy costs for pumping and haulage which you do not meet with in inland mining.

There is another point to which I wish to refer in respect to Nova Scotia. Before 1914 the Nova Scotia operators were fairly well entrenched in the St. Lawrence market. They lost that market in 1914. Why? They lost it principally for patriotic reasons. The coal companies had a fleet of their own boats carrying coal from Sydney, Cape Breton, to Montreal. The government of Canada commandeered that fleet of boats for war service. The result was that the Americans, who did not become a belligerent nation until 1917, were able to take advantage of this position and become strongly entrenched in the St. Lawrence market, and to-day the province of Nova Scotia is suffering on account of its patriotism. Talking of patriotism, I may say in reference to the miners of Nova Scotia, who have been given some advertising throughout this country, and who are sometimes depicted as lawbreakers, that the town of Glace Bay, the largest town in the province of Nova Scotia, having a mining population exclusively, was the only part of Canada where the government had to seriously consider the idea of stopping voluntary recruiting, because the miners were enlisting in such great numbers. I wish to state that in 1914, before the war broke out, and before an unprecedented demand for coal developed, the output of the United States annually amounted to about 400,000,000 tons. When the war broke out there was an unprecedented demand for coal. The coal industries of England, of Germany, of France, and to some extent of Canada, were demoralized by the exigencies of the war. The United States therefore, which did not become a belligerent nation until 1917, was in a position to take advantage of this unprecedented situation in the world coal trade, and coal mines were opened up in that country which in normal times would never have been opened at all. The result was that while they were producing 400,000,000 tons in 1914, in 1920, after the war was over, they were producing 900,000,000 tons. They more than doubled their annual output. When the coal trade returned to normal a great many of those small operators who had not made a very heavy investment in plant, saw that they could not compete with their larger competitors, hence they adopted a system of mining known as stripping, by which, instead of attempting to recover all the recoverable coal such as is done by the coal operator in Alberta and Nova Scotia, they resorted to a system of taking out the cheapest coal they could get in the mine and letting the rest go, and in some cases coal obtained in that way has been coming into competition with Nova Scotia coal in the St. Lawrence market. Nova Scotia is being subjected to very unfair competition by the United States coal industry. Then we also have distress coal coming into Canada. Everyone familiar with coal mining costs knows that it requires a great deal of money to keep a large coal mining plant idle for one day. Evidence given before the Interstate Commerce Commission of the United States in 1921 was to the effect that when a large coal mining plant was idle for one day and worked the next day, the cost of the idle day would increase the cost of the coal the next day on which the mine worked by seventy-five cents a ton. In order to avoid that loss American operators tried to work their mines as regularly as possible, and they found it good business sometimes to sell some of their coal at cost, or a little below in order to offset the expense of an idle day. The coal obtained in that way is termed distress coal and in some cases it comes into the St. Lawrence market and competes with Nova Scotia coal.

Mr. BALDWIN: Does not the hon. gentleman consider that it was a great blunder for the government to commandeer the fleets of boats of the coal companies of Nova Scotia, and thus prevent them from shipping their coal to the St. Lawrence market?

Mr. MACDOUGALL: If my hon. friend thinks that it was a great blunder for the government to support the allied nations in that war then, perhaps, it was wrong.

Mr. BALDWIN: My hon. friend did not answer the question.

Mr. MACDOUGALL: I wish to point out what the gaining of the markets in central Canada for Alberta and Saskatchewan coal would mean to those two provinces. We find that in 1922 the coal mines of Alberta worked only 237 days. In 1923 they worked 227 days. In 1924 they worked 228 days. In Nova Scotia in 1923 the coal mines worked 250 days, and in 1924 only 202 days. If this government would formulate a policy by which Alberta and Nova Scotia coal could be obtained to supply the fuel requirements of central Canada, the wages of workmen in the Alberta field could be increased by about $500 a year, and the wages of miners in the Nova Scotia coal fields, on account of the continuity of employment that would be provided, could be increased by about $400 a year. That would go a long way to prevent any industrial unrest in those two provinces. Speaking of Alberta, although they are now producing yearly only 5,000,000 tons of coal; with their present equipment and plant they could produce a yearly tonnage of 12,000,000, if they had a market for it. That means that they could increase their output by 7,000,000 tons. Averaging that coal at $5 a ton, if the Alberta operators could get access to the central markets, it would mean that $35,000,000 more would be spent in the province of Alberta. In Nova Scotia we are producing about 6,000,000 tons of coal annually. With the present development of our coal industry we could very well produce 10,000,000 tons of coal a year. That means that we could increase our present output by 4,000,000 tons, or, averaging that coal at a cost of $5, we could increase our circulation of money in the province of Nova Scotia by $20,000,000. I think if that were done we would hear less about the grievances of the province of Nova Scotia, and Maritime rights than we do. What is the remedy for the situation?

I think my hon. friend the Minister of National Defence (Mr. Macdonald) and I would agree upon the remedy to be applied; at least we would have agreed some years ago, but I do not know whether we will to-day. I think the minister, in addressing the miners at Stellarton in 1921, gave them at least a part of the remedy when he told them that if his government came into power and he were elected they would put a real duty upon American coal. I think he added, in very pathetic language, that they would thereby create conditions in the mining towns of Nova Scotia which would bring the sunshine of prosperity to every miner's home. I am sorry, Mr. Speaker, that those conditions have not been created. Perhaps there may be some reluctance on the part of my hon. friend the Minister of National Defence (Mr. Macdonald) to take that stand in this House to-day in respect to increased protection on American coal, but for my part I have no reluctance whatever. I am not afraid to take that stand just because certain men may have studied the principles laid down by Adam Smith, John Stuart Mill, Ricardo and others, for I consider it to be the solution of a problem of vital importance in this country. Some people may think that in order to give us fair competition in the markets of central Canada, the duty on American coal will have to be made very high. I have had an opportunity of studying coal mining costs in Nova Scotia, and it is my opinion that if this government would take a fearless stand, something along the line the Minister of National Defence advocated in 1921, and would increase the duty on American soft coal from 50 to 75 cents a ton, would put a duty of 75 cents a ton on anthracite screenings, and 50 cents a ton on American anthracite, and then use a portion of the revenue so derived to establish in Montreal and Toronto coking plants for the coking of Nova Scotia and Alberta coal, by that means we could give to the householders of Ontario, Nova Scotia coke, eight tons of which is equal in fuel value to twelve tons of American anthracite.

Mr. WOODSWORTH: The hon. member has referred to production costs. May I ask what is the cost per ton in the mines of Nova Scotia?

Mr. MACDOUGALL: Of course, I can give my hon. friend privately the information he desires, but I do not think it would be fair for me to publish the costs of these mining companies. That is a thing for this government to go into if they intend to follow the steps I am suggesting.

Mr. WOODSWORTH: Do I understand that 75 cents per ton would cover the difference between the cost of mining in Nova Scotia and the cost of mining in the Pennslyvania fields?

Mr. MACDOUGALL: It is my opinion that a duty of 75 cents a ton on American bituminous, 50 cents per ton upon anthracite, and 75 cents per ton on anthracite screenings, would put us in a fair position to compete with American coal in the markets of central Canada.

So far as Alberta is concerned, what they require is a reduced freight rate which will enable them to ship their coal into the markets of central Canada, and I want to say to the representatives from Alberta that I for one am very much in favour of seeing the Canadian National Railways establish such a freight rate as will enable the operators in Alberta to ship that splendid coal into the markets of central Canada to help supply the Canadian fuel demand there. But so far as Nova Scotia is concerned, we require an increased duty. Then if the government gave a subsidy, or assisted, in the erection of coking plants in Toronto and Montreal, by getting a sale for the by-products we could sell that coke at $12 a ton, which is considerably less than the consumers in central Ontario are now paying for American anthracite, and as I said before, eight tons of the Nova Scotia product has a fuel equivalent of twelve tons of American anthracite.

So far as the province of Nova Scotia is concerned, Mr. Speaker, this is our principal demand. One-fifth of the entire population of Nova Scotia depend directly upon the coal industry. If that coal industry is allowed to languish because this government is either afraid or unable to formulate a national fuel policy which will give us access to the markets of central Canada, then the industrial pulse of the province of Nova Scotia must continue to beat very feebly. I do not see why we should not get the sympathy, even of those who are professed free traders. We were promised when we entered confederation that we would find a market for our Nova Scotia coal in central Canada, and if we are going to be precluded from selling our coal there, the one chief benefit we were to derive from confederation will be lost, and no longer will it be reasonable to expect that the province of Nova Scotia will continue to carry her share of the burden as a factor in the Canadian union, if she is not going to be given a fair deal, and if her chief industry is to be allowed to languish.

Reverting to the subject matter of the Speech from the Throne, the opening paragraph seeks to convey the impression that Canada is enjoying prosperity in a very bountiful degree. Should this paragraph be read by the sorrowful Canadian contingent who during the last four years were compelled by the fell clutch of circumstance to seek employment in a foreign land, they may well realize the feelings of Tantalus, rich, and in the sight of abundance, but yet eternally starving. It is true that Providence has given us a bountiful harvest, and perhaps it is in keeping with the principles of "divine right", to which this government seems to adhere, that they, having no good works of their own to commend them, should arrogate to themselves the good works of the Creator. We may leave this paragraph in the Speech from the Throne for the edification of the credulous.

In its next paragraph the Speech informs us that the government has decided to put into effect a comprehensive immigration scheme for Canada. When one reflects upon the efforts made by this government in the past to give us a comprehensive, or any other kind of an immigration scheme, and the dismal failures which have resulted, we can hardly be expected to be optimistic about this new venture of this government. I understand that in the comprehensive scheme suggested by the government they intend to guarantee to emigrants a free passage to this country and five years' employment. That is a very nice thing for the emigrant. But we have in this country thousands of unemployed walking the streets of our city and looking for employment. These Canadian citizens have borne the "heat and the burden of the day"; they have contributed their share of taxation to the public coffers, and surely if the government can be generous enough to guarantee five years' employment to emigrants they should try to do something for the unemployed within our own gates.

With respect to rural credits I will discuss that question when it comes up. I want to say, however, without hesitation, that I am absolutely in favour of the principle of rural credits for the farmers of this country, and I should like to see it extended also, if possible, to those engaged in the fishing industry. Some hon. gentleman saw fit to condemn the rural credits system of Denmark. I am mindful of the fact that two commissions which visited Denmark also condemned the rural credit system in force in that country. A third commission, however, was unanimously in favour of the scheme. It pointed out that a rural credit scheme was adopted in Denmark in 1894, when the exports of farm products from the entire country amounted to only $34 per capita. In 1917 the exports of farm products from Denmark amounted to $119 per capita, and a great

deal of this increased output was due to the operation of a wise system of rural credits.

With respect to the completion of the Hudson Bay railway, my attitude is this: If I can be convinced that the completion of that road is necessary, that it will help to build up the great Canadian west, and that the cost will not be excessive, I shall certainly be only too glad to give my support to the project. At the same time I will expect that when we from the east present the demands that we intend to present with respect to the construction of branch lines which are necessary to the development of the eastern part of this Dominion, we shall receive the same sympathetic measure of support from the representatives of western Canada as we are ready to accord to the Hudson Bay railway under the conditions I have mentioned.

A royal commission has been promised to inquire into the rights of the Maritime provinces. When I listened to that promise in the Speech from the Throne I felt that those men who inaugurated and are now strongly supporting the Maritime rights movement in those little provinces by the sea should be congratulated. At the inception of that movement they were ridiculed by the Liberal press of Nova Scotia and New Brunswick. They were depicted as calamity howlers, blue ruinists, and purveyors of pessimism. New adjectives of a highly coloured nature were coined and flung at their devoted heads. The hon. member for Queens-Lunenburg (Mr. Duff) himself, following out the old policy of the Liberals in Nova Scotia, declared in this House that there were no such things as Maritime rights, and that the whole business was Tory propaganda. It seems strange that the present government, composed of very eminent men, should go to the trouble of appointing a commission to investigate a matter which is nothing but Tory propaganda. Mr. Speaker, I am glad that the present government have recognized the fact that the Maritime provinces have rights. As to the appointment of a commission of inquiry, however, I want to tell them that on October 29 the people of the Maritime provinces appointed their own commission. That commission now sits within the four walls of this chamber. I want to make this further statement to the government: that while the solid sixteen that represented the province of Nova Scotia in the last parliament sat silent in their seats from 1921 to 1925, although there were Maritime grievances to be remedied, the commission appointed on October 29th last have no intention of remaining passive and submissive; they will take every occasion to press in the strongest possible manner the claims of the provinces they represent.

I may as well tell hon. members frankly that we have a bad situation down there. I have tried to deal with the coal situation which is, perhaps, the chief problem this government should endeavour to solve, at least so far as the province of Nova Scotia is concerned. Our people are leaving; they are getting discouraged; they find it impossible to earn a living. Our industries are languishing. There is urgent need that some solution of the problem be found. The senior member for Halifax (Mr. Black) said, referring to secession, that he did not think such a movement would find support from a corporal's guard in Nova Scotia. I sincerely hope that it would not, because I do not preach nor do I agitate secession; but I want to tell the House plainly, frankly and fearlessly that something must be done by this government to give the Maritime provinces those rights to which they are entitled as integral factors of Canadian union. It would be with "footing slow and sad reluctance" that we would turn our back on the great work commenced in good faith by our fathers in 1867. And before any such desperate measure is thought of or suggested, much less acted upon, in the Maritime provinces, the government should give a sympathetic ear to the people of the Maritime provinces, who are just as desirous as any other portion of our population to see that a united Canada is built up upon the firm foundations established by the Fathers of Confederation.

5 p.m.

We understand from the Speech from the Throne that the government intend to appoint a tariff commission. I understand very readily why they are taking that course. The government want that commission to find some policy for it. This government have no policy on the tariff question and they are afraid to have any. As I listened to some hon. gentlemen opposite declaring for protection, while others pronounced for low tariff and some for no tariff at all, I wondered what the result would be if by a miracle the hundred gentlemen sitting opposite became endowed with the gift of divers tongues and sought one after the other to explain the Liberal tariff policy. We should have a confusion before which the confusion that raged round the Tower of Babel would fade forever into insignificance. I suppose it was because the Liberal party have been hopelessly at sea on the tariff question since 1921 that their honoured and distinguished leader saw fit to frame a chart to try to guide that party.

But when we contemplate the situation in their ranks on that policy, when we remember the diversity of opinion expressed by their own members, and when we reflect on what happened on October 29, we must come to the conclusion that, in spite of that chart prepared by their leader, "the mists are around them and the fog."

In conclusion, although the Liberal government has no mandate to bring down any Speech from the Throne or to formulate any policies after its decisive defeat on the 29th October last, I would point out to the leader of the House (Mr. Lapointe) that he and his government have no mandate even from the Liberal party itself, to bring down the measures announced in the Speech from the Throne. I would like to ask him, since he is in his seat: Where and on what occasion during the last election did he ever get up before his compatriots in Quebec and say that the policy of the Liberal party was to restore to the province of Alberta its natural resources? In what part of Quebec or of eastern Canada was that question ever discussed during the last election? Did he ever discuss before his electors in Quebec the question of rural credits or the completion of the Hudson Bay railway? How does the government know that the rank and file of the Liberal party are in favour of the policy outlined in the Speech from the Throne? The Liberals who were elected in Quebec were elected to solve the problems which Mr. King, the Prime Minister, said at Richmond Hill were pressing upon this country so severely. There is no mention of those problems in the Speech from the Throne. The government have thrown overboard the principles of the Liberal party and have seen fit to try to implement the principles of a small group in this House who, although they are eminently respectable and intelligent, and for whom I have not an unkind word, nevertheless must realize that they represent in this chamber but eight per cent of the Canadian electorate. I wish to say in conclusion that the people of Canada will not long continue to tolerate in this country a situation in which the tail wags the dog.

Mr. H. B. SHORT (Digby-Annapolis): Mr. Speaker, as one of the new members from Nova Scotia, may I along with my predecessors be permitted to extend to you my felicitations and congratulations upon your reappointment as Speaker of this House? I have been very much impressed with the fairness and dignity with which you administer the affairs of your high office and the courtesy that you always show to new members.

I have been designated by hon. members opposite as one of the Maritime righters' group. They may call us what they like, but I support the policy of my right hon. leader, the leader of the opposition (Mr. Meighen) who, when the campaign opened last September, declared he realized that the Maritime provinces have their problems; that they had not received a fair deal from the late government, and that he was ready if he came into power to solve those problems even if it were necessary to take from the revenue of this country a sufficient sum to do so. Contrast this statement with the one made by the Right Hon. Mr. Mackenzie King, Prime Minister of this Dominion. Speaking at Kentville, Nova Scotia, he asked the audience: "What are Maritime rights?" He said: "If I knew what they were I would try to right them." Is it possible that he did not know? If he did not, he had for two years in this House sixteen members from Nova Scotia known as the "solid sixteen," and for three years he had fifteen members from that province. If the Prime Minister did not know what those problems were, surely those members who were sent to parliament as representatives from Nova Scotia should have told him. They certainly were, to use a slang phrase, not on to their job; they must have been asleep at the switch, because according to the records I have failed to find that one of those gentlemen during the term of their office from 1921 to 1925 ever stood up on the floor of this parliament and had anything to say about the needs and wants of Nova Scotia.

What those problems and rights are is well known. Under confederation we were conceded certain rights which have never been given to us. The question of Maritime rights was not the only issue in the late election in Nova Scotia. The tariff was also a most important issue, and the policy on this issue as laid down by my right hon. leader was declared on every platform by the eleven members who were returned as his supporters on this side of the House. We in Nova Scotia realize that if we are to make any progress we must have an adequate tariff, a tariff sufficient to protect the industries of our province. Two of our great industries there are steel and coal, from the latter of which the province derives its greatest revenue, and unless these industries are protected and fostered we cannot succeed and be prosperous. We must have a market for these, and that market is the Canadian market. If we cannot get our coal into the central provinces of Quebec and Ontario, we cannot expect to prosper. Why

is it that our Canadian National railways cannot haul coal from Nova Scotia to Quebec and Ontario when United States railroads can haul the same kinds of coal from Pennsylvania and West Virginia to those points? The distance is no greater from Nova Scotia than from the points named, and I am of opinion that if the management of our National railways were anxious for business and if the government of this country desired to assist Nova Scotia, a way out of this difficulty could be found. Arrangements have already been made with the National railways to have 25,000 tons of coal hauled from Alberta to Ontario at seven dollars a ton. But when an arrangement on the same mileage basis rate is asked for Nova Scotia to haul coal from Sydney to Montreal to relieve distress in that district, what are we told? We are told that the management of the Canadian National Railways cannot do so. This is one of the Maritime rights. If the Canadian National Railways can haul Alberta coal into Ontario for seven dollars a ton, why cannot the same mileage rate be granted to Nova Scotia? This can and should be done and it is the duty of the government to see that our province is treated fairly in this respect.

We have in Nova Scotia another great natural industry, one which I am surprised to find is not mentioned in the Speech from the Throne, namely, the fishing industry. I am proud to say that I have been connected with that industry for the past thirty years, and I feel therefore that in whatever I say on the subject in this House I know whereof I speak. In the constituency of Digby-Annapolis, which I have the honour to represent, we depend very largely—in fact one section of my constituency depends almost entirely—upon the fishing industry for a revenue. I am surprised that the Prime Minister, when he framed this Speech from the Throne, should have overlooked this important industry, because it employs in Nova Scotia alone some 25,000 persons, and in the whole of Canada some 70,000 persons. There is invested in vessels and equipment about $50,000,000, and the industry produces in wealth annually between $40,000,000 and $50,000,000. Surely therefore it is an industry that should receive some consideration from the government. It has not made the progress which would have been possible had it received from this and previous governments the assistance to which it is entitled. It is capable of wonderful development and instead of producing $40,000,000 or $50,000,000 per annum of wealth to this country it should, and indeed could, produce double that amount. If the government will give more attention to fostering this great industry and assisting in its development in every way I am sure the expansion which I have stated as possible will be realized.

What we need now is an improvement in breakwaters along the coast to provide facilities for the fishermen to prosecute their vocation. We need also further markets for these products and cheaper transportation to these markets. True, the home market has shown a considerable increase in the last few years. This is due partly to the advertising propaganda which has been carried on during the past two years in which the government has borne half of the expense and the dealers the other half. While the amount expended has brought good results, I have no doubt that if double that amount is spent in judicious advertising in the future, to bring this great food product to the attention of the public, a much greater demand will be created, and that will go a long way towards putting the industry on a more prosperous basis.

The people of Canada should eat more fish, as it is one of nature's best foods. The consumption of fish per capita in Canada is 21 pounds per annum, in the United States 18 pounds, and in England, where more fish is eaten than in any other country except Japan, it is 54 pounds per annum. If we could only induce the Canadian people to eat as much fish as they do in England, say 54 pounds per capita per annum, we should be able to find a great outlet for our fish products and at the same time furnish a cheap, nutritious and palatable food for the country. This can be done if the government will only give to the industry that assistance to which it is entitled. The government should look at the matter from a national point of view and try by means of adequate and proper advertising to induce the people of Canada to eat more of this food product. If this were done it would be better for the country and it would provide us with an outlet for a wonderful Canadian product.

It is a well known fact that fish is one of the most helpful and nutritious foods known to man. If we could create a further market for our fish it would stimulate the industry and give increased employment to our fishermen, thus keeping our own folks at home rather than having them leave our shores to seek a livelihood in foreign countries. While our home market has shown some improvement in the past year or two, I am sorry to say that our export market has hardly held its own; as a matter of fact, I do not think we are exporting as much

fish to-day as we did some years ago. The American market, to which certain sections of Nova Scotia have always had to look for an outlet, is practically closed to us to-day because of the Fordney tariff, and it is only when there is a scarcity in the United States of certain varieties of fish that we can ship our product into that country, because they are themselves large producers and exporters of this commodity. Of course, we send shellfish there such as lobsters, scallops and other varieties of that class, inasmuch as there is no duty, the reason being that the United States do not produce a sufficient quantity of this class of fish to provide their own markets. On all other varieties however they have a prohibitive duty, and, as I have just said, it is only in times of scarcity there that we can get our fish into that market. The Fordney tariff is so framed that it practically shuts us out and we have to look to other markets for an outlet for our dried and pickled fish, principally the West Indies, South America, the Mediterranean and other places.

This government, I think, should do everything possible to assist the industry in increasing its trade with foreign countries by having our trade agents in those countries put forth every effort to secure orders for the Canadian producers, at the same time educating the fishermen of Canada in improved methods of curing fish for export. At the present time, I regret to say, our dried and pickled fish for export does not compare favourably with the same class of fish produced in Norway and other countries, and it is the duty of our government to give all the instruction they possibly can to the industry so that the Canadian product when exported may receive as good a price as is obtained for the same class of product put up in Norway and other fishing countries. In the green state our fish is equal to that produced anywhere else in the world.

We have in this country a market that is capable of great development for fish, both fresh and frozen. I find according to statistics compiled by the Fisheries department that the amount of fresh and frozen fish shipped from the Maritime provinces last year to Quebec, Ontario and points further west was 42,000,000 pounds. Yet the hon. member for Queens-Lunenburg (Mr. Duff), speaking some days ago, made the statement that only about one per cent of the fish produced in Nova Scotia was sold in Canada. Let me examine the facts. Since the figures for 1925 were not available I have secured from the department the figures showing the total catch of all kinds of fish, except shellfish, for 1924 in the province of Nova Scotia. The total catch for that province was 195,823,300 pounds and of this amount 42,000,000 pounds of fresh, frozen and smoked fish were shipped to Quebec, Ontario and the west. It must be remembered that that 42,000,000 pounds would represent at least double that quantity, or about 80,000,000 pounds, because a large proportion of the product is converted into finnan haddies and fillets, and 50 per cent is lost in processing. The consumption of Nova Scotia fish in Canada is therefore at least 30 per cent of these varieties alone. In addition to this a considerable quantity of pickled and salt fish is sold. Now, what becomes of the statement of the hon. member for Lunenburg (Mr. Duff) that only one per cent of the Nova Scotia catch is consumed in Canada? If the hon. member's statements regarding the other matters in Nova Scotia which he spoke of are no more correct than his statement with regard to our fisheries, which he claims to have some personal knowledge of, what credence can the House place in his entire speech?

Now, Sir, I want to show the House what handicaps we have to overcome. Yet under these adverse conditions we have been able to market 30 per cent of our catch in Canada. If we are given the transportation rates that we are entitled to, and the government give the attention it should to the fishing industry, you can readily see what a wonderful expansion is possible. I think the hon. gentleman must have been speaking of his own constituency when he stated that Canada used only one per cent of the catch of Nova Scotia, because it is from his constituency that most of the fish is exported. But there are other sections of Nova Scotia which also produce large quantities of fish, and a substantial proportion of it is sold as fresh, frozen or smoked in the Canadian market. What we require to increase this business is better transportation facilities, cheaper freight and express rates, and a government that is ready and willing to assist the industry in every way possible.

When the hon. member for Pictou (Mr. Cantley) was addressing the House recently he quoted some freight rates to show how Nova Scotia was discriminated against. Now I want to show the discrimination against our province in the way of express rates on fish as compared with similar rates in effect from the Pacific coast. The express rate on carloads of fish from Vancouver or Prince Rupert to Winnipeg is $3.59 per 100 pounds net weight. The distance from Vancouver is 1,465 miles and from Prince Rupert 1,785 miles. But the express rate from Halifax—I might say that this rate is practically the same from all other points in the province—to Winnipeg is $8.05 per 100 pounds gross

weight, or $10.06 per 100 pounds net weight. This is a further discrimination against Nova Scotia. The carload and less than carload rates are based on the gross weight and 25 per cent is added for package and ice. The mileage from Halifax to Winnipeg is 1,993. This rate constitutes a difference of 146 per cent over the rate from Vancouver and Prince Rupert to the same point. Do you wonder, Sir, that we are discontented when we realize the unfair way in which we are treated in transportation matters? Let me quote another comparison. The express rate from Vancouver or Prince Rupert to Chicago is $3.93 per 100 pounds net weight. The distance from Vancouver to Chicago is 3,224 miles, and from Prince Rupert, 3,596 miles. The express rate from Halifax and other points in Nova Scotia to Chicago is $4.30 per 100 pounds gross weight, and $5.37 per 100 pounds net weight. The distance from Halifax to Chicago is only 1,669 miles. The difference against us there in favour of the Pacific coast is only 195 per cent! Do you think, Sir, that we can prosper with such unjust discrimination against us in express rates on our fish? And this discrimination goes on all down the line, it applies on our shipments to Toronto, Ottawa, Montreal, Chicago, Boston, Philadelphia. For instance, the percentage against us to Boston compared with the Pacific coast rate is 325 per cent. How can we ever expect to build up an industry in the Maritime provinces in the face of such discrimination?

Off the coast of Nova Scotia we have the greatest fisheries in the world. Our ports are so much nearer the fishing banks than those of the United States that we may reasonably look forward to the time when the fishing ports of Nova Scotia will be the bases from which vessels will operate and supply the fish markets of this country as soon as the government gives us the assistance that our industry is entitled to. The total value of the fisheries of Canada for 1924 was $44,534,235. Of this amount our exports represented $30,925,769, the balance of $13,608,466 being the value of the fish sold in Canada; in other words, as I have just stated, 30 per cent of the total value of our fish production found a sale in the home market. If we could increase domestic consumption to 50 per cent of our total production, it would stabilize the industry wonderfully, as there is no market like the home market. This increase would take place if the government would help develop our fisheries as it should. But, Mr. Speaker, very little attention has been given to our fishing industry by the government of the Dominion. One of the reasons for this comparative neglect is, I think, that usually the Minister of the Department of Marine and Fisheries has been selected from one of the inland provinces. As a rule such a man is not conversant with the needs and requirements of our fishing industry. I have always felt that the department should be presided over by a minister from the Maritime provinces, preferably Nova Scotia. Do you know, Sir, that Nova Scotia has not had a minister in that department for some thirty years? I think Sir Hibbert Tupper was the last member from Nova Scotia to preside over the Department of Marine and Fisheries, and that must be thirty years ago, or more. A man from the Maritime provinces is naturally familiar with all the local facts of the industry. I have no fault to find with the present minister (Mr. Cardin) but I understand he is a lawyer from the province of Quebec, and therefore he could not be supposed to have very much knowledge of the fishing industry.

Mr. ROBB: If my hon. friend will allow me—does he not recall that Sir Douglas Hazen, a lawyer from New Brunswick, was Minister of Marine and Fisheries for many years?

Mr. SHORT: I have not any fault to find there—but he was another lawyer. I claim that the department should be presided over by a man who has some knowledge of both the marine and the fisheries end. I think that is only logical. We would not expect a clergyman or a lawyer to know the different kinds of fish or what the requirements of the industry were.

Mr. STORK: The hon. member has given certain comparisons of express charges from the Pacific coast and from Nova Scotia, claiming unfair discrimination in favour of British Columbia. May I ask from what authority he is quoting his figures?

Mr. SHORT: You will find all those rates on file with the Board of Railway Commissioners. I want to put on Hansard a little of the earlier history and also of the present history of the fisheries of Canada. About no industry, not even the fur trade, is the early history of Canada, and for that matter of the North American continent, so closely entwined as about the fisheries. Indeed a study of the development of the fisheries of the world involves in a large measure the history of man. How and when fishing began we can only conjecture, but our earliest records indicate that fish formed an important portion

of the good of man in the very early days. The application of the net to fishing is older than recorded history, so that we have no knowledge of who invented it. It seems quite probable that it was the spider's web anchored in the air to catch passing flies that first suggested to reasoning man the application of a similar method for the capture of free swimming fish. Fishing even with gill-nets and seines was a common method of making a living in the days of our Saviour and it was from amongst the fishermen of Galilee that He drew several of His most notable apostles.

It is an old truism that from the earliest days fishing has been the parent of navigation and the mother of commerce. Fishing was first confined to the inland waters and the estuaries of streams, but it was early learned that fish dried in the sun and air will keep for any length of time and could be transported to distances from the coast. It was this fact that gave a tremendous impetus to fishing and to navigation. To supply the growing demand fishermen went farther and farther from the shore, to do which better boats were needed, and these were supplied. So that as early as the 12th century hardy fishermen from around the bay of Biscay and Norway were voyaging yearly as far eastward as Iceland, and tradition leaves little room for doubt that long before Columbus discovered America these fishermen were visiting the coasts of what are now Canada and Newfoundland for fish. In any event one of the first things that followed the discovery of North America by the Cabots was the establishment of an important fishery there. Each year vessels from France, Spain and other European countries came across in the spring to the rich fishing grounds off our coasts and left in the fall loaded with their dried fish. The first exports from what are now the New England States were dried fish and it may safely be said that the trade and commerce of that whole region was founded on fish.

Our sea fisheries may be broadly cast into two divisions, the inshore and the bank fisheries. The former is engaged in by the fishermen living all along the coast, who operate in boats, and fish anywhere from ten to twelve miles from shore and the latter by vessels. The catches of the inshore fishermen and of the steam trawlers operating on the banks go to supply the fresh fish markets, as well as those for cured fish, while the banking vessels' catches are practically all cured for foreign markets. Important as it is that our offshore fisheries should be developed and expanded, it is for obvious reasons more important from a national standpoint that our inshore fisheries should grow. To enable this to be done, however, it is essential that the demand for fish in our own country should be continuously increased.

The difficulties in the way are numerous and great. Our country is one of vast distances and comparatively small and scattered population. Our first large centre of consumption, Montreal, is about a thousand miles from the seaboard. Extremes in climate prevail, which necessitate adequate and rather expensive facilities for transporting fresh and frozen fish.

The asset Canada has in her fisheries is as a general thing far too little appreciated. Practically every mile of her coastal fisheries on both sides abound in different varieties of food fish of first quality. In addition to the Canadian waters of the Great Lakes there are a vast number of wonderfully productive areas such as lake Winnipeg, lake Winnipegosis and Lesser Slave lake, which cover an area of over 220,000 square miles. Not being very familiar, however, with our inland and Pacific coast fisheries I shall confine myself to the Atlantic coast. In addition to the gulf of St. Lawrence, which is potentially one of the richest fishing areas in the world, the various fishing banks on this side of the Atlantic are adjacent to the Atlantic coast of Nova Scotia. Such names as the Georges, Brown's Bank, Roseway, LaHave, Sable Island, Banquereau, Misaine, St. Pierre and the Grand Banks are amongst the most productive fishing areas the world has known. Owing to their proximity to our Canadian ports fishing thereon can be carried on more economically from such ports than from any others. For instance the distance from Canso to Sable island bank is 88 miles and from Halifax it is only 159 miles, while from Boston it is 470 miles. Again the distance from Halifax to the centre of the Grand Banks is 588 miles while from Boston it is 928. It will be realized that a vessel operating from a Nova Scotia port, particularly when engaging in fishing for the fresh fish trade, can produce much more fish in the same time owing to the shortness of her voyages to and from the fishing grounds.

Now, we have heard a great deal in this debate about rural credits for farmers in the west. What about extending the same credits and on the same terms to the farmers of the sea? I refer to the hardy fishermen of this country of ours. Why are they not entitled to the same consideration in the way of government credits as is given to the farmers of the west, so that they may be permitted to build boats and buy engines and equipment, in order to carry on their vocation and earn

an honest living for themselves and their families? The fisherman is just as much in need of assistance of this kind as is the farmer of western Canada, and if the government decide that any system of credit is to be given to the farmers of the west I hope and trust that they will also make the necessary arrangements so that the fishermen of our country may participate in these same credits.

A great deal has been said about the prosperity of our country, and the hon. member for Queens-Lunenburg has stated that Nova Scotia is prosperous. That may refer to the county of Lunenburg where they depend for good or bad times upon the fishing industry almost wholly, and where the fishermen were fortunate enough to have a good catch the past season and receive for that catch a very high price, much higher than they at first anticipated. I am sorry the hon. member for Queens-Lunenburg is not in his seat, because I would have liked him to hear the remarks I am going to make. The Lunenburg fishermen are the greatest traders there are in the province of Nova Scotia, and they always get the highest price because they produce the class of fish that is required by certain markets. These fish are mostly sold in Lunenburg under the co-operative plan, and the fishermen are traders enough to realize the fact that the dealer has got to come to them and pay them their price, unless they are forced to sell. The price of the Lunenburg catch this year started at $6 per quintal, but the Lunenburg fishermen decided not to take that price and held on until the dealers paid them $8 per quintal. It is said the dealers who bought at this price are not going to receive a new dollar for the old one, but be that as it may I am glad the fishermen got their price.

But, Mr. Speaker, Lunenburg is not the only county in Nova Scotia. I can quite understand that there is prosperity there, but there are other sections of the province that are not prosperous—in fact, that are now and have been for some time past suffering from depression, and there is a great deal of dissatisfaction and discontent in the province of Nova Scotia. Why, Mr. Speaker, if Nova Scotia were in the prosperous condition that the hon. member for Queens-Lunenburg would have this House believe, and if the government had dealt generously and fairly with that province, why was there such a change in the minds of the people of Nova Scotia from 1921, when they sent a solid sixteen for the King administration, and on October the 29th last only three of them survived? This, I think, is conclusive evidence that the people of Nova Scotia were more than dissatisfied with the late government, who during the four years of their administration neglected this part of the country in a most shameful manner, and the first opportunity the people had to record their votes at the polls they did not hesitate to show this government what they thought of them.

Mr. ROBICHAUD: Were the people of Nova Scotia satisfied in 1921 when they returned a solid sixteen?

Mr. SHORT: They evidently were dissatisfied then, but they are much more so now.

Mr. ROBICHAUD: They did not return the solid sixteen this time.

Mr. SHORT: They sent a solid sixteen in 1921 and expected something of them, but what did they get? Not one of them stood up in this House and opened his mouth for the province of Nova Scotia. During the whole four years they were here they were nothing but voting machines; that is all they were. But the members now on this side of the House from Nova Scotia are not going to be mere voting machines. We are here to look after the interests of Nova Scotia, and we are going to do it. One of my Progressive friends the other day said that he was sick and tired of hearing about Nova Scotia, and I told him, "You have only commenced to hear about it, and if we are here until next summer you are going to hear more about Nova Scotia every day we get an opportunity."

The time has arrived when the people of Nova Scotia will no longer be satisfied with any government that will not deal fairly and squarely with them, that will not treat them as an integral part of this great Dominion and see to it that the promises made to us under the terms of the confederation pact are carried out. We must, Mr. Speaker, be given a fair share of the shipments of the western wheat that now go through foreign ports. It was intended when the Grand Trunk Pacific was built, at such a tremendous cost to this country, that Canadian products handled by this railway should be shipped through Canadian ports. Why should this country spend hundreds of millions of dollars of the people's money in building a railway to carry freight to be shipped out of foreign ports? It has been stated that geography was against us in the Maritimes, that freight must be shipped by the shortest haul. Geography was not against us when the Great war was on. What would Canada have done then had it not

been for the ports of the Maritime provinces, where it was necessary to assemble ships to carry our troops overseas? Not only troops, but freight also was carried to the Maritimes and shipped from there. If these ports were necessary to the country then, why are they not just as essential in times of peace? The geography is just the same now as it was when we entered into confederation, and I say to this House that we will not be satisfied in the Maritimes until we get our share of Canadian products shipped out of our ports during the winter season at least. This talk about not having the ships available for the business is all nonsense. Ships will always follow the freight. If the management of the Canadian National Railways were at all anxious to carry western products to the Maritimes for shipment overseas, the ships would be forthcoming, but the fact of the matter is the management of the railway is wedded to Portland and other American ports, and just so long as the people of this country will stand for it that is the way our freight will be routed. But I can assure this government that the people of the Maritimes do not propose to stand for this sort of treatment any longer. The time has arrived when they demand that they get their fair share of the country's business.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. SHORT: Mr. Speaker, when the House rose at six o'clock I was discussing the position of the Canadian National Railway. I want to read a few extracts from a bulletin issued by the Railway Users' Association of Canada in connection with this railway, and also quote from a speech delivered by Sir Henry Thornton, president and general manager of the Canadian National Railways, before a convention of the Western Retail Lumbermen's Association in Winnipeg on January 28. Sir Henry on that occasion is reported to have made this statement:

He emphasized the fact that the Canadian National Railway was ready to support anything that would move the grain through Canadian ports, explaining that it was to its advantage having no interest in Buffalo or any other United States port.

I should like to know how Sir Henry could make such a statement, in view of the fact that the Canadian National Railway has a contract with the White Star Dominion line by which the former undertakes to deliver as much tonnage as possible to the vessels of that line at the port of Portland, Maine.

[Mr Short.]

In giving evidence before the select committee of the United States Shipping Board at Washington, Mr. D. O. Wood, Foreign Freight Traffic Manager of the Canadian National Railway, said:

The traffic which comes through the port of Portland is, I should say, without going into exact figures, possibly 80 or 90 per cent of Canadian origin.

The port of Portland has been practically built up by the Grand Trunk Railway, and largely, from Canadian traffic. * * * There are other lines coming to Portland, of course, besides the White Star Dominion, but we have no contract with them; they come there because we were instrumental in the early days in having them come here by trying to help them fill their ships as far as we could.

If that service were not there I do not know where it would be; most likely it would come to St. John, N.B.

In another part of his evidence Mr. Wood states that,—"this contract may be terminated on six months' notice, such notice to be given prior to March 1st of the calendar year."

I think, Mr. Speaker, it would be good business on the part of this government to have that contract cancelled, because it is certainly not in the interests of Canada, and not at all in the interests of the Maritime provinces. A statement is then given in the bulletin referred to of the amount of Canadian grain that had been shipped through Canadian ports and through American ports:

For the crop year ending August 1, 1924, the clearings from the undermentioned ports were as follows:

	Bushels
Canadian Pacific ports, via Vancouver..	53,809,505
Canadian Atlantic ports, Montreal via St. Lawrence..	63,568,444
St. John, N.B...	9,412,231
Quebec, via St. Lawrence..	2,309,412
Halifax, N.S..	302
Total Canadian Atlantic ports..	75,290,389
United States Atlantic ports:	
New York..	63,091,140
Philadelphia..	23,204,838
Baltimore..	14,989,417
Norfolk..	12,568,440
Portland, Maine..	7,713,330
Boston..	7,173,269
All other United States ports..	12,318,903
Total United States Atlantic ports.. ..	141,079,337

In 1919-20 the shipment of Canadian oats via United States ports was 5,802,538 bushels, but in 1923-24 it was 16,856,865 bushels.

The amount of all kinds of grain exported from Halifax during the crop year of 1919-20 was 2,695,677 bushels. In 1922-23 the amount of all kinds of grain shipped via that port was 203,831 bushels, and in 1923-24 the amount of all kinds of grain shipped via that port was only 342,404 bushels.

These figures tell a story that should cause every thinking Canadian to stop and consider the direction in which he and his country is being carried. The increasing costs of ralway service in Canada is not only diminishng producton and causing people to emigrate, but it is diverting what tonnage this country continues to produce, to the railroads of the United States at the nearest crossing point on the boundary. The Canadian National Railway cannot afford to carry grain from Montreal to Halifax, a distance of 841 miles, or to St.

John, a distance of 481 miles; but it can carry Canadian grain from Fort William and the bay ports and other lake ports, to the boundary at Niagara, which is practically the same distance from Fort William as is Montreal, from where the railroads of the United States carry it to Philadelphia, a distance of 416 miles, to the amount of 23,000,000 bushels a year, and to Baltimore, a distance of 600 miles, to the amount of 15,000,000 bushels a year, and even to Norfolk, a distance of 860 miles, to the amount of 12,500,000 bushels a year. No wonder that the press of these three cities are loud in their praise of Sir Henry. We cannot find that there has been any credit given in the papers of these cities to an official of any other Canadian road in this matter. Since Sir Henry has had charge of the Canadian National Railway, the Canadian people's road has carried practically no grain, and very little tonnage of any other kind, to any Canadian port outside of Montreal and Quebec, and to these ports a constantly diminishing quantity.

This is a paragraph which I should like the House to note:

If the port of Halifax had a railway system that pulled as hard for it as does the Western Maryland and the Pennsylvania railroad for Norfolk, Baltimore and Philadelphia, it would be one of the largest ports on the Atlantic coast. (Norfolk has an elevator capacity of only 750,000 bushels, while Halifax has a capacity of 1,500,000 bushels.)

But it must not be overlooked that the Pennsylvania railroad has an exceptional advantage in that Sir Henry Thornton got his start in the railroad business with that company. For twenty years he was in its employ. He began with it in 1894 as an engineer, and rose gradually until he was General Superintendent of the Long Island railway, a subsidiary of the Pennsylvania railway system. In 1914 he was taken to England by the Great Eastern railway. From there he came to Canada.

This may explain why Sir Henry Thornton is not sympathetic to the Maritime provinces, and why we get none of that grain there. The facilities at the port of Halifax are certainly much better than those at Norfolk, where 12,500,000 bushels went in 1924 as against 342,404 bushels to Halifax. Does the country wonder why we in Nova Scotia are dissatisfied? Do hon. members think we are going to stand for that sort of thing? I say, no.

Mr. MACDONALD (Antigonish-Guysborough): Is my hon. friend not aware that at no time in 1924 was there any elevator at Halifax where grain could be handled?

Mr. SHORT: There has been a grain elevator at Halifax for years.

Mr. MACDONALD (Antigonish-Guysborough): Not operating.

Mr. SHORT: The same elevator is there that was there in 1920. It was dismantled not in 1924, but only last fall. It was dismantled in 1925, if I read the press correctly.

Mr. Speaker, it is proposed, according to the Speech from the Throne, that a royal commission be appointed to look into the affairs of the Maritimes and report to this House. We want no commission to tell us what is required to bring prosperity to this part of the country. The Maritimes are represented by twenty-nine members of this parliament, who know thoroughly the conditions there and who are in a much better position to advise the government than any commission that can be appointed. Why waste the country's money on needless expenditures of this kind? We have no faith in commissions of this sort; they will not satisfy the minds of the people. The country has already had too many commissions and too little action.

Conditions in Nova Scotia are serious and are getting worse instead of better. Why, Mr. Speaker, every time the census is taken we lose representation in that province. During the last redistribution we were the only province in the Dominion that lost any of its members, and we lost two. In the last House our province had sixteen members; now we only have fourteen. If we were as prosperous as the hon. member for Queens-Lunenburg (Mr. Duff) would have us believe, why did we lose two members in the last redistribution? If something is not done to improve the situation we will go on losing in membership until we have only a handful of representatives coming to this House from that section of this country. Conditions are getting alarming in Nova Scotia, and it is absolutely necessary that the government of this country do something to right our wrongs and give us a chance to take our proper place along with the other provinces of this great Dominion.

I have in my constituency other industries than the fisheries, of which I spoke at length this afternoon. I refer to agriculture and fruit raising, particularly apples. A very large section of my constituency, known as the Annapolis valley, is devoted to apple-raising, but I do not propose to weary the House at the present time with any further remarks in connection with those industries. At some future day I shall have something to say with regard to them.

Mr. J. L. CHABOT (Ottawa): Mr. Speaker, I trust that I am not too late at this date in the session to tender you my sincere felicitations upon your election as first commoner in this land. It is an honour shared equally by you and by this House, an honour which gives us both pleasure and pride—pleasure from a contemplation of high achievement recognized; pride because I see in you, Sir, the embodiment of those lofty traditions of public services so richly contributed to the history of this nation by the race to which you and I belong.

I rise to express as briefly as, I trust, will be consistent with lucidity, my determination not to support the motion of the hon. member for Nelson (Mr. Bird). In so doing I am fortified by a knowledge that I am in harmony not only with the overwhelming opinion of this country, but with the view held openly by many, and secretly by some, of the majority of the members of this House. The reason for want of confidence in this ministry is neither invisible nor obscure. It is found in four years of cynical betrayal of the platform and pledges by which this government gained power. It is found in the economic dislocation which can be directly traced to the record and policies of this government since 1921. It is found in the humiliating spectacle of the disembodied entity calling itself the cabinet, which lingers on the treasury benches at the present time. What has been the political history of this country during the past five years? In 1921 hon. gentlemen opposite came into office upon certain definite and specific pledges to the people of this country. They said that they would remove the burden of taxation which was then paralysing our industrial life; they said they would reduce the high cost of living bearing down upon the masses of our people; they said they would settle our transportation problem and solve our immigration difficulties; and they said they would give us a new fiscal creed. They were to bring back what they called the golden era of Laurier and make us all happy and rich.

There have been five years of opportunity for the fulfilment of these pledges, five years in which all the rest of the world has recovered from the devastating effects of the war. They were five years which saw this country blessed with some of the most bountiful harvests in her history, five years which saw this government with an enormous majority in the House of Commons to give effect to its policies and its programme. Yet, notwithstanding all these advantages, what has been the government's record? Did it reduce taxation? Did it reduce escapable expenditures? Did it reduce to any appreciable extent the high cost of living? What was its contribution to the solution of our transportation problem, of our fiscal problem, and of our immigration problem? The answer is embodied in the public records of this country. It is that taxation is almost precisely what it was in 1921; it is that this ministry launched the country, with almost profligate abandon, on a series of unjustifiable expenditures. It is that the cost of living, according to the reports of our Labour department, has actually increased; that our transportation problem has not improved; that fiscal tinkering has produced widespread depression; and that our immigration is but a fraction of the emigration from Canada to the United States.

This government's record in regard to expenditures alone invites the severest condemnation. During the past five years nearly every nation in the world has reduced its taxation indebtedness. England, borne down by vast commitments, paying heavily for defence, and with an administration that encircles the globe, has paid her expenditures, reduced her debt by hundreds of millions, and reduced her taxation again and again. Australia, since the armistice, has reduced her debt by more than $300,000,000 and greatly reduced taxation; and little New Zealand, the Union of South Africa and even the little Irish Free State have all been retrenching, reducing taxation, balancing their budgets and giving the masses of their people a decent chance in life. And during the past five years the United States has actually reduced its public debt by over $2,000,000,000; it has cut its per capita taxation from $55 to $27; and although it has reduced taxes again and again, although the income tax in that country was before but a fraction of ours—not more than one-fourth—that country has just adopted a new scheme involving a further reduction of $350,000,000 a year, at the same time exempting vast numbers of the lower salaried people from taxation. To be correct, I believe that 2,300,000 Americans will now be freed from the obligation of paying income tax.

What in the meantime has been the record of Canada? While our competitors have been retrenching, Canada has gone on in a career of extravagance which has done violence to the development of the country. Wharves and sand-bars like Belle River; Scribe hotels in Paris; Union club buildings in London; a Prince Rupert elevator whose only service will be to compel our railways to haul grain 190 miles further than necessary; millions for a new harbour at Quebec city, when the present harbour is not being used to its capacity; a million dollar elevator at Halifax which has not yet seen a bushel of grain: these, with a store of other things almost equally unjustifiable, tell the story of this ministry's regime.

Mr. YOUNG (Saskatoon): Is the hon. member opposed to the building of the elevator at Halifax?

Mr. CHABOT: I hope it will soon be in proper use for the benefit not only of Halifax but of the whole Dominion. Finally, there is the incomprehensible promise of the Hudson

Bay railway. This government knows that there is an overwhelming opinion in this country against the completion of that project. It is aware that outside the provinces of Saskatchewan and Manitoba there is no support for it at all. But notwithstanding its knowledge of these facts, notwithstanding the fact that the Liberal party is itself divided on the question, Mr. Mackenzie King, with an effrontery almost unparalleled in our politics, went to Saskatchewan last year and offered the Hudson Bay railway as a bribe for its support.

Mr. McLEAN (Melfort): Is the hon. member opposed to the promise his own leader made that he would build that railway at a certain cost?

Mr. CHABOT: I will answer that question in a moment to the satisfaction, if not of the hon. member, at any rate of the majority of people. Mr. King did not say he would complete the road because he considered its completion to be in the national interest; he did not say he would complete it even though he knew the country could not afford it. What he said was, "Send me enough supporters, give your votes to the Liberal party, and I will build you the road".

Mr. McLEAN (Melfort): What is the hon. member quoting from?

Mr. CHABOT: I do not recall the dates or the places, but I am quoting from some of his speeches.

Mr. McLEAN (Melfort): From what paper?

Mr. CHABOT: This was a speech he made in Saskatoon.

Mr. McLEAN (Melfort): What paper is the hon. member quoting from?

Mr. CHABOT: It makes no difference; I am giving the facts.

Mr. McLEAN (Melfort): It makes this difference, that you are not quoting the truth.

Mr. CHABOT: The statement has been made in this House several times and has never been denied so far.

Mr. McLEAN (Melfort): It is denied now.

Mr. CHABOT: If the hon. member denies it I will bow to his superior knowledge.

Mr. McLEAN (Melfort): I will get you the paper.

Mr. CHABOT: This was nothing short of a brazen bribe to the electors of the west, and to-day unfortunately this government has come to parliament and asked it to pay the piper. I should like to use another expression, but I am afraid I might be called to order. That and that alone is the source of the Hudson Bay paragraph now in the Speech from the Throne.

I shall be told perhaps—and I will now answer my hon. friend opposite—that my party too is pledged to the completion of the Hudson Bay railway. My answer is, it is pledged to nothing of the kind. My right hon. leader (Mr. Meighen) told the people of the west something that can be subscribed to by every citizen in the country. He said to them, fearlessly and frankly, and he has since repeated the statement in this House, that if it could be shown that the Hudson Bay railway could be completed at a cost of three or four million dollars, then, in view of the money already expended, he would favour the completion of the road. If on the other hand investigation showed that the cost should be much greater than that, that it would run into tens of millions of dollars, then in the view of my right hon. leader the financial condition of the country would not permit of completion of the project at the present time. I ask the House to contrast that declaration of policy with the course pursued by the leader of this government. On the one hand we have a candid statement based on national considerations, Canada's financial capacity; on the other hand, a declaration that amounts to political barter, based upon continuation in office, with no limit or check or guard whatever in respect of cost. So, Mr. Speaker, despite the cry of the people for taxation relief, despite the undoubted hardships being suffered in many parts of the country, we are being committed to a project which, according to a statement that this government placed on Hansard two years ago, will cost at least $22,000,000. For what? To take care of ten ships at Port Nelson! Such are some of the causes of the high taxation which burdens us to-day.

The members of the government tour the Dominion and tell the people they have decreased the national debt. We know they have done nothing of the kind. True, with juggled figures they have tried to convince the House and the country that our railway debt is not a part of our national obligations, and by omitting this portion of our indebtedness they show a reduction of the national debt. But once we cut through this sophistry, once we have regard to the self-evident truth that we are just as much responsible for the obligations of our national railways as for any other portion of our indebtedness, then the clear disturbing fact stands out that Can-

ada owes more to-day than she owed in 1921 by scores of millions of dollars. In this connection let me quote the actual figures—which may be verified by reference to the books of the Finance department—to demonstrate that the statement made by the Minister of Public Works (Mr. King) recently was not altogether in accordance with the facts. In 1920 the national debt was $2,248,868,623; in 1921, $2,340,878,983. On Canadian National Railway account: cash loans $109,662,000; guarantee of bonds, $50,000,000; redemption loans, that is of debt both from cash loans and guaranteed issue proceeds, $56,392,626. I may say that the statement which the hon. Minister of Public Works made with regard to the guarantee of bonds and redemption of loans was correct as far as it went, but it was somewhat incomplete. In 1924 the national debt was $2,417,783,000. The railway account showed about $23,000,000 for cash loans; $72,500,000 for guarantee of bonds, and about $11,500,000 for redemption loans. In 1925 the national debt was about the same; the cash loans amounted to almost $10,000,000, guarantee of bonds, $81,000,000, and redemption loans $24,007,000.

It must be observed that in 1922 the King government was responsible only for the last quarter of the fiscal year. They were, however, responsible for the final readjustment of the figures, which showed guarantees of $61,000,000, and debt retirements of about $48,000,000. In short, we find $12,000,000 added to the national debt in contradistinction to the previous year, when a surplus of $6,000,000 of loans was retired as against the bond issues. In 1924-25 as a result of the government's necessities, characteristic weakness and obliquity, we find $118,000,000 that ought to have been added to the national debt is left unaccounted for. Full play is given to the farce. Endorsements, we are told, are not liabilities. Yet at the present time this same government is providing through its agents the Canadian National Railways executive, for a radical writing-off of the railways' swollen capital account. The following table gives details of the $118,000,000:

1924:	Bonds guaranteed..	$72,500,000
	Less redemption..	11,000,000
	Balance..	$61,500,000
1925:	Bonds guaranteed..	$81,000,000
	Less redemption..	24,000,000
	Balance..	$57,000,000 odd

In the view of those who know the situation, there is no room for dispute or argument that the whole of this sum must be added to the national debt if we are to be honest with ourselves. But it is idle to expect a frank admission of the real situation from this government—just as idle as it is to expect that a hardened criminal with the evidence overwhelmingly against him will admit his guilt; rather will he strenuously maintain his innocence.

The government tells us, too, that it has reduced taxation. What taxation has it reduced? Will any hon. gentleman of the other side of the House say that he was liable for less tax on his income this year than on the same income in 1921? Was there any reduction of the sales tax? The only decrease was effected in this way: The government took off one year what they added to the sales tax the previous year; one year they increased the sales tax from 3 to 6 per cent, and then later they brought it down from 6 to 5 per cent. Wherein, then, was taxation reduced? Of course, I know some hon. gentlemen opposite will say: What about tariff reduction? Is not that reduction of taxation? They have been telling us for years that the tariff is a tax paid by the consumer, and is responsible for the higher cost of living. Let me put this question to them: If as you tell us the tariff is a tax raising the cost of living, how does it happen that the tariff reductions you boast about have not reduced the cost of living? Surely no hon. member will gainsay the fact that food and drinks—whether they involve spirituous inspiration or not—fuel, rent, light and help are not as high to-day as they were three or four years ago? I know the upkeep of my establishment in Ottawa and in the country is just as costly now as it was four years ago. What less taxation is being paid by the consumer? I leave that problem to my friend the Minister of Agriculture (Mr. Motherwell). If he finds it too difficult, and can secure no enlightenment from his colleague who once sounded the "death knell of protection," I advise them both to seek assistance from the comrade whom they expect to join them on the treasury benches, the hon. member for North Waterloo (Mr. Euler). The demonstrable truth Mr. Speaker, is that this government has failed to deal with taxation, just as it has failed to deal with every other major problem before the country, with the consequence that to-day Canada, despite her vast resources, despite her favourable situation, despite the fact that she pays less for defence than any self-governing nation on the face of the globe, is among the highly taxed nations of the world. Let us look at the facts; they are positively startling. The figures

I have before me are taken from the official public accounts and are as follows:

	Receipts for total taxes
1917	$232,000,000
1918	261,000,000
1919	312,946,000
1920	349,746,000

During the succeeding four years, with the King government in office, the receipts were:

	Receipts for total taxes
1921	436,292,000
1922	382,271,000
1923	403,000,000
1924	406,581,000

The average was $407,059,000, or $118,000,000 more than the average for the four years of the Meighen regime. In other words, Mr. King and his associates had that much more per annum than had his Conservative predecessors, and to precisely that extent the opportunity was theirs to make immense saving. But instead of saving, they proceeded to spend public money on an unparalleled scale. There is another factor which must be brought into the reckoning. During the four Conservative years preceding 1921 special war taxes in the way of imposts on income were as follows:

	Special War Taxes
1917	$16,000,000
1918	25,000,000
1919	56,000,000
1920	82,000,000

Following 1921, when our Liberal friends came into power, they amounted to:

	Special War Taxes
1922	$177,484,000
1923	181,634,000
1924	182,036,000

The King government actually collected $529,601,176 in the form of special taxes more than did the Meighen government, and yet it did not cut taxation by a penny. Not the slightest effort was made by Mr. King and his associates to avoid this terrible showing. They had from the outset appeared to be callous to public necessity, to the urgent need of a really grave situation, to every consideration of prudence and expediency and the need for the most rigid economy. What they gave the country was an orgy of expenditure, and to keep up the pace they had to extract more money from year to year for the purposes of the public service.

The official figures themselves give proof of that beyond a doubt. The Liberal government which took office in 1921 was in a peculiarly favourable position to apply a policy of drastic retrenchment which would have led to a substantial reduction in the burden of taxation. The country had just emerged from participation in the Great war. Vast economic disturbances had been caused by that war. Inflation followed by deflation had all but shattered the fabric of commerce. Readjustment on a comprehensive scale was everywhere made necessary. The need for readjustment was general. The public mind was prepared for changes. No government ever came into power under pledges of economy with such a favourable opportunity to make good. We may now calmly measure what actually took place. Once in control of the reins of power, all promises to relieve the popular load were forgotten. Instead of cutting down the outgo, the King government added to it. Instead of reducing taxation, official records show that the government took additional hundreds of millions out of the pocketbooks of the people. There was a little saving effected by whittling at the civil service. Imagine attempting to economize at the expense of the poor civil servant! They were always ready to indulge in petty economy, but the faucet was open wider than ever before and the broad result was as indicated. That is one of the main reasons for the exodus to the United States. That is one of the reasons why since this government took office half a million of our people have been forced to seek a livelihood under a foreign flag. High taxation, allied with tariff tinkering and tariff threats, has strangled Canadian industry, with the result that our young men, young men whose ancestors have been rooted in this Canadian soil for centuries, have been compelled to become exiles in the republic to the south.

When they came into office in 1921 hon. gentlemen opposite declared that they would solve our population problem. Immigrants were going to flow into the country. But what has been their record since then? In 1921, the year that my right hon. leader was Prime Minister, 148,000 immigrants were brought into Canada and 72,000 persons left Canada for the United States—a balance in Canada's favour of 76,000. In 1922, the first year that hon. gentlemen opposite were in office, immigration to Canada dropped to 89,999, and 46,810 persons left Canada for the United States. In 1923, after the effects of tariff tinkering and tariff threats began to be felt, and when continued denial of taxation relief began to strangle business, immigration to Canada dropped to 72,887, while 117,000 persons crossed to the United States—a net loss to Canada of 45,000. In 1924 immigration rose to 148,000, but emigration to the United States rose to the terrible figure of 200,690—a net loss of 52,000 for the year. Last

year immigration was 111,362, while 102,000 persons left Canada for the States.

Thus in four years we find that while this government was spending something like twelve millions of dollars to bring 422,000 persons from Europe, 466,511 persons left Canada and crossed over to the United States. Canada, in truth, was made into a second Ellis Island for America, and, in addition, tens of thousands of native born Canadians, descendants of families that have been in this country for generations, were forced to abandon this soil. And furthermore, from 1921 to 1925 this government introduced at least a dozen measures with regard to immigration, and changed ministers, I think, on three occasions, on the assumption, I presume, that variety is the spice of life. The figures regarding immigration I take from the Canada Year Book. The emigration record is of those who paid the head tax upon taking up residence in the United States, and that does not by any means account for them all.

Since this House has met, hon. gentlemen have never tired of telling us how prosperous the country has become in recent months, and they point to our growing exports as evidence of that prosperity. It is true, Mr. Speaker, that the value of our exports is increasing, but if the figures are closely analyzed some qualification is found for our confidence; for analysis shows that, apart from a bountiful crop, the greatest increase has been in our rich possession of raw materials, our pulpwood, our nickel, our copper and our asbestos. We are simply selling our estate. We are shipping our raw products out of the country, and the American people, who are our chief competitors, are refining them and taking the profits, thereby giving work to their people, paying wages to their workmen, providing purchasing power for their communities, markets for their farmers, traffic for their railways, freight for their harbours and ports. In the meantime Canadians are compelled to leave home to secure employment, Canadian home markets are diminishing, Canadian purchasing power is decreased, Canadian railways are producing deficits, and Canadian ports go without traffic. Too much export trade of that kind is not a good thing, in my humble opinion, for this country; yet that with the other facts that I have cited constitutes the fruits of five years of this government. Summed up, they have been five years of violated pledges and broken promises, Let me mention just a few of those promises, Mr. Speaker, promises which they intended carrying out in their four years of administration, but not one of which has been redeemed.

[Mr. Chabot.]

For instance, they promised to reduce the cost of living, to reduce taxation, to reduce the debt, to solve the transportation problem, to increase immigration, to settle the question of the ownership of the natural resources, to secure lower freight rates on the ocean for cattle, to formulate a national fuel policy, to secure wider markets for Canadian products, to establish a government wheat pool, and last, but not least, to reform the Senate. On many occasions during the last campaign the Prime Minister raised his eyes and his hands towards heaven and offered thanks to the Almighty for taking to his bosom some of our very much esteemed and invaluable Conservative senators, thereby creating vacancies in the Senate, which the Prime Minister with great alacrity filled with some of his true, faithful and devoted supporters. That is how far Senate reform has gone up to the present. Personally I do not think it requires very much reform, and I am sure my hon. friends from the province of Quebec will agree with me at least on that point.

Instead of the government redeeming those promises, we have had five years of the most wanton extravagance, five years of failure to reduce the debt and taxation, five years that have seen increased living costs, impotence to deal with the transportation questions, incapacity to deal with our fuel problem, depopulation of the country, and an entire failure to grapple with the major questions that imperatively challenge solution. And why? Let me quote just one reason among many—and this, Mr. Speaker, is from the Ottawa Journal, one of the best edited, most logical, and most reliable newspapers published in this country; I always like to give credit where credit is due. It says:

> The King government has been lamentably lacking in constructive genius. It has either not had a definite grasp of the country's vital needs, or it has not had the skill to grapple with them. The only other alternative is that it did not care. The two outstanding needs were, as the bulletins of the leading banks have put it, reduced taxation and immigration. No other government in our national history had had a finer opoportunity to demonstrate capability in these regards than has the government.
>
> If a government is not to be judged by performance, either positive or negative, how else is it to be judged?

That is why, Mr. Speaker, neither this House nor the country has faith in the remnant of this ministry. That is why I should like to have been able to vote for a no confidence amendment.

What is the present position? The party which is claiming the right to rule is in a minority in this House and in this country.

I hate to repeat that, it has been said so often before, but sometimes by dint of repetition a wonderful effect can be produced. That minority I think would have been still greater had the government not appealed to the country on a policy of longitude and latitude, resorting in the province of Quebec to those tactics which were described here the other day by the hon. member for Kent, N.B., (Mr. Doucet), and stooping in the west to the almost equally reprehensible tactics of offering bribes, like the Hudson Bay railway.

9 p.m.

While I am on the subject of electioneering tactics let me say, Sir, that it was not alone in the province of Quebec that the Liberal party sought to fan racial hate in order to promote its cause. Here in the capital of Canada I was made the target of abuse, was denounced as a traitor to my race, because, forsooth, between 1914 and 1918 I held certain convictions as to how best to strengthen my country's arm in the war. As a French- Canadian who is proud of his origin as a Canadian, who cherishes the traditions and history of the old province of Quebec; as one who for a generation has lived in harmony and friendship with his English-speaking fellow citizens, learning to admire their generosity and their tolerance, I sincerely protest with all the strength that I can summon against such blows at the unity of this country.

Here may I address a word to the hon. member for Labelle (Mr. Bourassa), the leader of the Independent group in this House? What that group lacks in quantity it probably makes up in quality, because I have great admiration for the hon. gentleman. He is very clever, very versatile, and possesses a great deal of erudition, but so far I have yet to learn what policies he has been promulgating and advocating in this House, as well as any definite policies which he may have fought for during the last campaign. But of one thing I am certain, that although he appears here in the role of the leader of the Independent group, he is really a Liberal, and I think it is about time he ceased masquerading as an Independent. I am sorry he is not in his seat at the moment. I am not going to say anything that would injure his reputation in any way, but he proudly told us not long ago that he came from Liberal stock, that he was born a Liberal. I think, Mr. Speaker, he is living a Liberal and will die a Liberal unless in the meantime his conscience is stricken and he seeks conversion. After reading the speech which he made in this House some time ago, I am convinced that the hon. gentleman is now undergoing a process of political evolution, and he seems to be coming our way. If he does, I am sure he will be well received, and he will find a haven of rest and of happiness in our midst. As for the Labour group and the hon. gentlemen who compose it, I am not prepared to comment upon what they have or have not done since the session began, until I become better acquainted with them—and that will be a privilege—and with their methods and their policies. I can assure them that the pleasure for the present is deferred only.

But, Sir, I must return to this government. There it sits mutilated and formless in body, without control of its own actions, the admitted puppet of an outside force. What is there to suggest, to make one even hope or suspect, that anything of strength, or vigour, or clear purpose can emanate from a ministry in such straits? Do my friends of the Progressive party honestly believe that this government is in a position, or ever will be in a position, to put through any sort of programme? Does anybody in this House, knowing all the circumstances, seriously suggest that this government has the capacity to govern? Do the members of the Progressive party believe that this ministry, which failed to give them certain things when it had a majority of 100 to back their giving, is going to make good that failure now when they have not a majority at all? Anybody, Mr. Speaker, can write cheques. But what I suggest to my Progressive friends is that they are taking cheques from this government when there are not any funds in the bank. They are being deceived more completely now than they were after 1921.

No, Mr. Speaker, this government cannot and will not govern. It may prolong its death for a few months longer; it may succeed through desperate expedients and ingenious subterfuges in usurping office for some time yet—but its end is inevitable. It has irrevocably lost the confidence of the people of this country, and every day it defies public opinion will but add to the completeness of its impending collapse.

Mr. J. R. O'NEILL (North Timiskaming): Mr. Speaker, it was never my ambition to be classified as a diatribist, but in spite of the Fabian policy of this administration, certain questions and certain considerations have been brought up for discussion, and in the interests of my constituency, in the interests of the greatest riding both actually and in potentia, in this great Dominion, I feel I should be derelict in my duty if I failed at this juncture to speak as the trustee of the

principles of the good people of North Timiskaming who paid me the high compliment of sending me here. Furthermore, in view of the fact that I have not sufficiently mastered the language of our compatriots I shall confine myself to the use of the mother tongue, looking forward of course to the day when by study and application I shall be in a position to reciprocate the courtesies extended by them in the adoption of the English language for use in this honourable House.

Before proceeding further, Sir, by way of felicitation, I would make certain observations relative to your honourable self, personally as well as ex-officio. As a refreshing change from the atmosphere of inter-partisan dispute, of sectarian recrimination and reproach, of inter-racial guttersniping, of the indiscriminate and promiscuous use of the argumentum ad hominem, with nevertheless all due regard for the rules of this honourable House, I occasionally turn to the pages of Parkman, and in the transition, I have observed, Sir, with what facility, being within the shadow of the Speaker's chair, I enter into the esprit of an elder day—my point being, Sir, that you are not only a splendid specimen of our present-day compatriots of Norman extraction, but also to me, you are redolent of our grand and romantic Canadian past. Your experience as an outstanding Canadian citizen; your association with our great Canadian leaders and statesmen; your personal role in the political life of our country, and greatest of all your personal sacrifice in the interest of our country—which sacrifice, I am sure is ever kept fresh in your heart by the excursions of memory across the sea to the grassy barrows of perhaps the happier dead—all these influences have indeed a mellowing, an endearing effect, as has the patine of time on a work of art.

Such is my tribute, Sir, and following the analysis, I would ask in the interests of our national pride and national unity, why not say henceforth, ex uno disce omnes? With common traditions and aspirations, with this great Dominion as a common heritage, won and held by sacrifices in common, why should the people of Canada, faced with the same great problems, not stand united and mindful of their glorious past, united and fully cognizant of their great future?

This young and aspiring nation is at this very moment hungering for unity and for a great national policy, and I submit, Sir, the National Policy of Sir John A. Macdonald is the sangrail of Canadian destiny. I have great respect for the past, Sir. I love the past. I maintain we should profit by the accumulated experiences of the past. Holding to the true fundamental philosophy of conservatism, I have in these days a tender regard for the views of Edmund Burke, whose works are unquestionably among the greatest exposition of the philosophic basis of conservatism ever writtten, and who looked upon "society as a partnership between those who are living, those who are dead, and those who are yet to be born". But it was said "For him the present ceases to be merely the heir of the past, and becomes its slave". In stating that the National Policy of Sir John A. Macdonald is the panacea for all our ills and woes, I would not fall into Burke's alleged fallacy, but with all due regard for national evolution and development, with full consideration for every occupation and every interest, I say, Sir, I stand for the adoption of the principles as held by the Conservative party to-day.

In this connection, it might be well to quote Sir Lionel Phillips who had such broad experience in a country which, like our own has as its primary industries, agriculture and mining. I deliberately and purposely link those industries with reference to Canada, since there is no gainsaying their paramount importance. After stating that farming stands in the first rank as the industry to foster—he would not favour the Australian treaty—he goes on to say:

> "Whether any other occupations should be protected or not depends upon the extent to which they benefit the country, the number of people they employ, the conditions under which they operate in comparison with the conditions ruling in a competitive country. Every case differs and, for a well founded judgment to be formed, must be investigated separately and all the factors reviewed. Cheapness is not the sole gauge, for it is obvious, if all the commodities used in a country were imported, its inhabitants would earn nothing and could not pay for them. Assuming, however, some of them possessed accumulated funds and invested them abroad, the country would suffer, because the profits earned, though brought to the native land, would again be exported for investment abroad and the fertilizing value of the working costs in producing the commodities would always benefit the places where they were spent. Labels, loosely used, like those of "free trade" or "protection", do infinite harm, because they become political cries, and the masses who know nothing of the subject, range themselves under the one or the other, following, like flocks of sheep, their respective leaders. Politics again—hateful politics—uses in a question of vital consequence, mean phrases like "Your food will cost you more" without answering the pertinent rejoinder "How will our earnings be affected?"

No reference in this, hon. members will note, is made to the preponderating argument—the full appreciation and proper exploitation of the natural resources of our wonderfully gifted country.

A moment ago, Sir, I remarked that this young and aspiring nation is hungering for a great national policy. I say further that this young and aspiring nation is calling for a leader who will, without fear or favour, consistently carry out this national policy to its complete, logical and just end.

You will recall, Sir, my submission was that this national policy is the policy of the Conservative party in Canada to-day, and my further submission, is that the man who will, without fear or favour, consistently carry out this national policy to its complete, logical and just end is, beyond a shadow of doubt, the present leader of the Conservative party (Mr. Meighen), for the moment the party in opposition in this House. I am not one given to apotheosis and I made the statement with full premeditation, deliberation and sincerity. Wherefore, let us scrutinize the statement and examine into my ratiocinations in this regard. Does this admiration spring from sickly sentimentality, from the exuberance of a novice, or from the enthusiasm of a hero worshipper? Not at all. It is merely a straight cool, businesslike appreciation which, if adopted by the nation, would be in the national interest. I reach my conclusion as follows: In the great north country, a new country just opening up, just coming into its own, anyone interested in public life is confronted with an unusual number and variety of problems such as labour questions, colonization and settlement difficulties, and all the problems of farming, mining, prospecting, transportation, industrial establishment and expansion. In other words, as I stated on a previous occasion, if we consider the anomalies and complexities of our every day commercial, industrial and agricultural life, politically and economically North Timiskaming is a typical slice of Canada to-day.

My experiences and disillusionments in connection with municipal, provincial and federal activities have been such as to thoroughly convince me that in the final analysis politics is nothing other than a clash of interests, and I am sure every hon. member has reached the same conclusion. In other words, it is safe and logical for me to generalize and to state that in the whole arena of Dominion politics we have nothing but a clash of interests. I ask: What characteristics must be pre-eminent in the leader who would successfully meet the present day situation? What virtues, if not courage, candour and consistency? I defy any hon. member or any reflective observer in the Dominion of Canada to deny that these are the outstanding virtues of the right hon. the leader of the Conservative party in this country to-day. Has he not a name for steadfastness and integrity? Of all the ingredients of leadership and statecraft he has admittedly an abundance. He has never derogated in his conception of duty from the great traditions of his predecessors, particularly Sir John A. Macdonald. His views have attained that clear and practical precision incident only to an accurate mind. With conditions as they obtain to-day, to be a leader, and for the sake of independence and knowledge, one must lead virtually the life of a slave and an ascetic. Thus I say that his very aloofness and his penetrating analytical mind are phenocrysts of character and ability respectively, in these days of self interest and over-reaching. In these days, I repeat, when politics is but a clash of interests, the leader of the Conservative party stands, after trial by fire at the hands of factions, friends and foes, beyond the reach of vested interests or privileged class, having demonstrated to this generation that he possesses that combination of moral excellence and intelligence which Canada desires in her public men. Once he is known in his true light to the Canadian people, the first turn in the political kaleidoscope, to use a borrowed plume, will restore to him the full and generous confidence of the electors of this country.

Now, Sir, assuming that the opinion of a new member—a milk white hind on the political lawn—corresponds with or more closely approximates the opinion of the man on the street in commenting on the present situation in this House, I wish to make the following observations: To my mind this rash government or aggregation, forgetful of the past, have in assuming office measured accurately neither public opinion nor practical politics, while the Conservative party, true to their fundamental principles, have been cautious in deference to the old adage "fools rush in where angels fear to tread." It goes without saying in the opinion of the intelligent electors of this country we are certainly on the side of the angels. Furthermore, if I were asked why we were not reinforced by the various vines and weeds which now alone sustain the crumbling ruins of Liberalism, I should say most unhesitatingly that the answer must be arrived at by psychological analysis, and the mere fact that we did have the proffered assistance and co-operation of a certain number strengthens my argument, since I found it impossible to have my theory square with their sterling qualities as I knew them individually. Their refusal or inability to sit in with the Conservatives was due to what I should term their urban complex, meaning by this a more or less morbid pathological mental process resultant mostly from that diffidence, that timidity, that self-complacency,

that parsimony, that narrowness, that simplicity, incident to rusticity. Due, I say, to this urban complex, the poor mind conjures up werewolves and hobgoblins at the very mention of industry or big business. As the Indian babes of yesteryear were frightened to slumber by the mere mention of the white bugbear, so the white bugbear who has replaced the savage on the plains shivers to sleep at the very thought of the dragon of industry. My contention is that in this frame of mind—and because of another outstanding characteristic that thrives in the same mental soil, their gullibility —they shrank in terror from the cool, consistent, logical Conservative party, albeit the latter having a monopoly of the intelligence of this House, and instinctively threw themselves as suppliants before the gates of the decadent Liberal party.

This of course implies not only a psychological similarity but two other notions. There is, by reason of intrinsic gullibility, the natural susceptibility to being taken in by a wolf in sheep's clothing; then, most important of all, is the Platonic element. We are forced to recognize the theory that the souls animating the frames of the various individuals in question had previously hobnobbed in some pre-natal sphere. Is it any wonder then that the sensus communis of this nation became spontaneously convulsive at any suggestion of alliance between the Conservatives and at least a certain element of the Progressives? I might remark that I have a great regard and a tender affection for the soil myself, and in making this analysis there is one other fine distinction I always draw, and that is in the aforementioned type, the term is properly spelt "pharmer," indicating as well, a class, presumably from within their own ranks, who would exploit the honest farmer. As to the shrewder and more independent members in the general consolidation, I should say the motivation was rather based on opportunism, with the same higher elements coming into service in the obtaining of the personal mandate—I mean at the source of power. However, no thinking man in any camp will quarrel with the view that the net and final result of this alliance will be the demolition of both Liberals and Progressives as distinct parties.

This brings me to a consideration of the Address in reply to the Speech from the Throne. This heterogeneous government, formed to support a policy of laissez faire, before their leader has found sanctuary in this House, comes before parliament with a minimum of practical programme. A programme has been formulated in which we have on the one hand a well prepared morphia as an anaesthetic to western passion, and on the other hand the indication of a certain amount of rhetorical sympathy with the east; and last, in the addenda, a sop to Cerberus. I refer to the decretals from the acting leader of the government (Mr. Lapointe) following the obsecrations of the hon. member for Winnipeg North Centre (Mr. Woodsworth). I have certain more or less pronounced and definite views on the various items in this so-called programme, but I should prefer on the whole to bide my time and refrain from expressing those views until I shall have had the benefit of the opinions and perhaps of the more mature judgment of other hon. members. This is not to be interpreted as a confession or indication of weakness but rather a desire on my part to study the problems from various angles, and to have my say in committee. I have said that my reason for taking part in the debate at this particular time was the fact that certain matters had come up affecting my riding. There are a great many questions under consideration just now of interest to the country as a whole, but we have had no opportunity to discuss these problems for the reasons that the government has presented nothing to parliament upon which parliament can take action. I should like however to discuss for a short while a matter of grave concern to the taxpayers of Canada and one which is agitating the minds of the people in the north of this country just now: I refer to the question of the Rouyn railway. And in this connection I want to tell the House that whatever I may say to-night on this subject is merely en passant, since, so far as any action is concerned, we are completely hamstrung, so to speak, by a motion which has been introduced by an hon. member who, by this very motion, defeats the objective he is supposed to have had in mind.

I sat in this House and heard the Argus-eyed member for Brandon state in his usual Laodicean manner that the railway problem was one which had been laid on the doorstep of Canada prior to the advent of the Progressives to parliament, the remark implying that naught could go wrong now that they were present. Yet here we have the exposure of a case indicating a wanton disregard of the authority of parliament, involving a complete subversion of principle, a clear case of suppressio veri, an act, I say, of wanton insolence committed in open defiance not only of parliamentary jurisdiction but of public law. In face of all this, what is parliament to do? There is not a peep out of hon. members to our left, confessedly demons for righteousness. I maintain, Sir, that unless the members of

the agrarian group and the so-called independent members in this House wish to be classed before the electors and the taxpayers of Canada as a mere fungus growth on the outskirts of this crafty administration, as accessories after the fact, in this Rouyn railway procedure, their better judgment should prevail to the extent of having the motion of the hon. member for Nelson (Mr. Bird) withdrawn so that we can come to a point where the representatives of this House will have a showdown on this question.

The Rouyn railway affair is unquestionably another Scribe hotel deal and one equally physiognomical of this government. Before I proceed to review what has been said in the matter, or to make further investigation, I wish to make my position clear, although, as in the case of members who have already spoken, my premises may be utterly disregarded in press reports. In the first place, I approach this question strictly from the standpoint of a federal representative in the interests of the taxpayers of this country, in the interests of the well wishers of the Canadian National system; and in the second place I have no desire to interject myself in any way into the interprovincial controversy. Nor have I taken cognizance of the contentious utterances of provincial political protagonists. I am absolutely in favour of a railway into the Rouyn district but I stand for a right location and a proper method of procedure. It is hardly necessary for me to review in detail the exposures made of the way in which this matter has been dealt with. The House will remember how much the ratepayers of this country owe to the hon. member for West York (Sir Henry Drayton), whose energy, diligence and scrutiny are responsible for the exposé of the nefarious and extravagant Hotel Scribe transaction, and that hon. gentleman has again shown his sense of duty as a member of His Majesty's loyal opposition in giving to this House and to the tax-burdened citizens of Canada the benefit of his observation and of his critical analysis of the financing of the Rouyn railway, which he has proved to have been another flagrant violation of principle and utter disregard of the authority of the people's representatives in this House. I would direct the attention of the House to references in the press of February 19. We find, in spite of the hon. member's declaration that he was treating the subject strictly from a federal standpoint, Le Canada of that date containing the following:

L'honorable J. A. Robb dissipe les nuages légers accumulés par Sir Henry.

The honourable J. A. Robb dissipates the light clouds piled up by Sir Henry.

La Chambre qui est honnête, après tout, a compris les explications du ministre des Finances et n'attachera pas d'importance à la dernière tentative des bleus à déprécier le gouvernement dans l'estime des indépendants.

The House of Commons which after all, is honest, understood the explanations of the Minister of Finance and will not attach any importance to this last attack on the part of the blues to depreciate the government in the esteem of the independents.

I leave it to the judgment of the House whether the so-called "refutation" did justice to the Minister of Finance, or in any way dissipated, "the clouds that were wracked up by the hon. member for West York." I find La Tribune of Sherbrooke of the same date, contained the following:

Sir Henry Drayton attaque la construction du réseau de la Rouyn, en faveur de l'Ontario.

Sir Henry Drayton attacks the construction of the Rouyn railway, in favour of Ontario.

After the definite announcement by the hon. member for West York that he was dealing with the question strictly from the federal standpoint and attacking only the method adopted, this paper attempts to lead its readers to believe that he is taking up the case in favour of the province of Ontario! Le Soleil, of the same date, refers only generally to the question, devoting itself mainly to the advance issue of the Dunning propaganda with respect to the millions of dollars to be spent in the construction of railroads in Saskatchewan. That programme, however, was submitted to the House in the estimates and provided $6,000,000 odd for the construction of 168 miles of railway—practically the same amount as is involved for the construction of only 45 miles of railway into the Rouyn district. I find Le Devoir, also of the same date, refers to the argument of the hon. member for West York and sums it up in this manner:

Le gouvernement a observé la loi en tous points.

The government has observed the law in every point.

It is because the stand taken by the hon. member for West York was so represented to the country by the press I have quoted that I stated at the outset of my speech that I am taking the matter up in the interests of the taxpayers of the Dominion, not by any means for the purpose of introducing any provincial issues. Those hon. members who had not the pleasure of listening to the member for West York no doubt have since read his speech in Hansard and have familiarized themselves with the main points of his argument and the principal exhibits. As I said, following his arraignment of the facts, we had a few weak, evasive remarks from the Minister of Finance, which were hailed by some of the press favourable to the administration as dissipating all the clouds piled up

by the hon. member for West York. As a matter of fact, the hon. minister timorously and repeatedly refused to discuss the essential points of my hon. friend's argument on the ground that he was not a member of the legal profession.

The hon. member for South Toronto (Mr. Geary), in his usual clear and masterly style, demonstrated that the authority of parliament was essential for any such undertaking, and that its will had been flouted and the law disregarded by the government in the Rouyn transaction. In this connection I may refer to the Ottawa Journal of October 24, 1925—a newspaper to which, as the hon. member for Ottawa has said, the taxpayers are indebted for its exposure of this scheme. When the question of railway financing came up in parliament the Journal of June 27 and June 28, 1923, dealt with it under the heading:

> New act is blank cheque to C.N.R. Meighen suspicious of railway financing.

Its criticism was in reference to Bill No. 244, to amend the Canadian National Railways Act, which bill finally passed the Commons on June 29, 1923. When the bill came before the Senate, Senator Belcourt, although a supporter of the government, took strong exception to it and promptly moved the following amendment:

> That Bill No. 244 be amended by adding the following as subsection 4;
>
> Nothing herein contained shall be construed as granting power to guarantee any securities, the issue of which has not been authorized by parliament.

The amendment carried, and as it was near the closing day of the session, the Commons accepted the amendment. Thus it would be technically illegal for the cabinet to guarantee the bonds offhand. What the King cabinet has done, therefore, in the Rouyn railway transaction is to dodge the statute by authorizing the National Railways to become responsible for the payment of bonds without the government actually using the word "guarantee".

The hon. member for East Algoma (Mr. Nicholson) in the course of his speech referred to the contract itself, and suggested that an investigation from this angle might throw some light on the lupus in fabula. He brought out the importance of section (D) paragraph 10 of the Privy Council's report, whereby it was agreed to allocate as operating net earnings to the Rouyn branch 30 per cent of the gross earnings received by the Canadian National Railways from traffic destined to or from points on this particular branch. Following this, the hon. member for Pontiac (Mr. Cahill) admitted that he had read neither the lease nor the agreement, and he frankly stated that he was not interested in how the transaction was carried out so long as the road was built. I quote from page 1319 of Hansard. I submit, an exceedingly vicious locution in the mouth of the member representing those most vitally interested. I am sure the hon. member will be the most indignant man in this House when he obtains a true knowledge of the facts.

Eventually in the course of this discussion the great Sir Henry Thornton is trotted forth, and in an interview to the press endeavours to water down the significance of the issue, hoping thus perhaps to stifle inquiry and discussion. And yet the Conservative party is accused of dragging the National Railways into politics! What does Sir Henry Thornton state?

> Montreal, February 24. By Canadian Press.
>
> Sir Henry Thornton affirmed that while the financial arrangements had been made, thus far no money whatever had been drawn out under the banking credit provided.

Does any hon. member think for a moment that Sir Henry Thornton would have us believe that the contractors and engineers have been up in that country all these months living on the wind? Why, the original locating survey would alone entail an expenditure of at least $250,000. Must we conclude that the cost is being met, as was that of the Hotel Scribe, out of Canadian National Railways' current revenue? Again, in the same interview, Sir Henry states:

> The engineers and auditors of the National system have got a vigilant eye on the whole transaction, and the administration assumes entire responsibility.

Hon. gentlemen will recall how the same knight and staff kept a vigilant eye on the Hotel Scribe transaction, and with what result. I quote from the discussion in the parliamentary committee of that day. The hon. member for West York (Sir Henry Drayton) said:

> The committee learned one thing, namely, that this was not the way to buy property and the committee also recommended that no such purchase can be made in future.

The hon. member for North Waterloo (Mr. Euler), on March 12, 1924, at page 267 of Hansard, speaking on the Address, said:

> I think the president of the Canadian National Railways is to be congratulated upon the success which he has achieved. He is making good. Of course he makes mistakes as do other people, one of those was in connection with the purchase, or the manner of purchase of a certain hotel in the City of Paris.

We have had nothing from the hon. member for North Waterloo in connection with a similar case, the Rouyn railway.

The then Minister of Railways, Mr. Graham, speaking on the Address in reply to

the Speech from the Throne on March 18, 1924, admitted in this House that the manner of acquiring the Paris building was a mistake, and he had no hesitation in saying so, yet he tolerated and was party to a similar deal in connection with the Rouyn railway.

I ask hon. members of this House and the taxpayers of this country also to note that the engineers and auditors of the National system, under the same chief, kept a vigilant eye on the construction of the Long Lac cut-off. Is there any hon. member of this House who is prepared to state that there was not a difference in the amount as submitted in the original estimate and the sum involved in the final settlement with the contractors in that case? There is an investment shown in capital account of $2,826,583.05—29.4 miles costing over $96,000 per mile. That vigilant eye must be like the glass eye of a certain mine captain who was too lazy to go down the shaft ladders to inspect the development, so he adopted the practice of regularly lowering by a string his vigilant glass eye to peer into the stations and drifts and thus make sure that the work was progressing in the interests of the investors.

In referring to the Rouyn railway question, Sir, I feel that I am labouring in vain, since under the motion submitted by the hon. member for Nelson (Mr. Bird) we are completely strangulated; parliament is unable to take action on this problem; yet I am sure the people I represent demand action; they demand immediate investigation of the whole feature. What assurance have we that the road will be constructed at a reasonable price? Is the country not naturally suspicious, having in mind the Hotel Scribe transaction? That was a clear case of the railway management setting out to make a large capital expenditure without having first secured the authority of parliament to do so.

On the very same grounds the Rouyn railway procedure may be criticized. This is nothing short of a circumvention of the statutes and of the will of the peoples' representatives, and a means of shredding away the authority of parliament and nullifying its check on capital expenditure. Why was it not over and above board? It was not a question of time. The hon. Minister of Finance (Mr. Robb) admits the question was on the tapis not only for weeks or months but for years. I am sure the majority of hon. members are thoroughly convinced of the importance of developing our mining industry and would have given the problem favourable consideration. Then the estimate of cost could have been made and given to the public, following which our Canadian financial houses could have made a bid for the bond issue. Four and one-half per cent 30 year government guaranteed bonds are, I believe, at a premium in Canada. Here we have an appropriation, or what is tantamount to an appropriation, of $5,000,000 for the construction of forty-five miles of railroad, and the total estimate brought down and tabled in this House for the construction of western branch lines of some one hundred and sixty-eight miles amounts to somewhere in the vicinity of six million dollars. This, as I stated, is the advanced edition of the Dunning campaign literature.

I would refer to the Rouyn railway question more or less from the local angle. The question naturally asked in the north country is: Why was the original scheme not carried out? We know that the people in the riding of Pontiac are most interested in having that road constructed through the fertile valley of the Hurricanaw from Amos, the natural point of departure—the original scheme as proposed to the provincial government at Toronto. I gathered this from my own observations and readings from the press. I have had no interviews or discussion of this topic with any provincial authority, but the original plan was to have a road built down from Amos, along the valley of the Hurricanaw river, to meet the mineral belt that runs east and west, and also to extend the line over to Rouyn, some twenty-eight miles, and there join the extension of the Temiskaming and Northern Ontario railway. From that point the road was to be built on to Grand Lake Victoria, to handle the timber and other resources in that particular area. I have here a clipping from Le Soleil,—I mean the Toronto Star, the Le Soleil of Ontario—of April 23, 1925 which, quoting a statement of Premier Ferguson's reads, in part:

> The officials of the Canadian National Railways, Mr. Dalrymple, who is one of the vice-presidents, and Mr. Hungerford, who is another, discussed the whole project with our commission in Montreal and Mr. Robb, who is another vice-president, and Mr. Young, one of their staff, saw me about it, and they left me with a plan as to how we were to get into Rouyn, and they wanted joint terminals established with us. I have letters from Mr. Young written on behalf of the Canadian National outlining the whole scheme, and urging us to come in there. Those are the facts.

The scheme I refer to was the construction of a road from Amos at right angles to the mineral belt, thence eastward to Rouyn, there to join the extension of the Temiskaming and Northern Ontario railway and continue to Grand Lake Victoria, the proposed terminus of a third railway. Reference to the last is

aside from the question, and I would not wish to have any misunderstanding in regard to the matter.

On March 2, 1925, the Hon. Mr. Perrault said:

"It is a matter of life or death for the district," declared the minister; "at any rate as for Rouyn. I had hoped that the Canadian Pacific Railway would have continued its lines to Rouyn and thus open a promising colonization area, for there is splendid agricultural land in the region as well." It was also hoped that the Canadian National railways would build from the Transcontinental line to Rouyn, a distance of forty-four miles.

The Timiskaming and Northern Ontario railway was also mentioned, but the minister refrained from mentioning the newly proposed Abitibi-Southern railway. Railway legislation, he said, is urgent, for without railways the mines cannot be developed.

I submit that in building the road from O'Brien the worst part of the country has been selected. If Sir Henry Thornton is not adopting the role of the shoemaker who in the early stages of the play Julius Caesar led the people about the streets of Rome to wear out shoe leather, then I am forced on to the other horn of the dilemma and must conclude that coercion has been brought to bear on him in this matter. I cannot put my own personal opinion against his railway experience or the advice of his officials, but I maintain that the logical route for the Rouyn railway was from Amos and thence eastward, but in building from O'Brien the road passes through some two and a half townships of sand, and then approaches the mining area at right angles. To get to any centre of importance a local train must be operated from O'Brien to Amos. That is another case of where traffic will have to be bolstered up to give the people some sort of notion that good service is being rendered by this end of the National railways.

Now what chance has that forty-five miles of railroad, even from O'Brien to the present centre, of paying? We have in that very same type of country a railroad with a mileage, regardless of yards and sidings, of some 460 miles, the Temiskaming and Northern Ontario railway built by the province of Ontario at an expenditure of some $32,000,000. That road serves the Cobalt camp, the South Lorraine camp, and all the agricultural area in the vicinity of New Liskeard and Englehart. It serves the Kirkland lake and Porcupine country, the Abitibi district,—and the Abitibi Pulp and Paper Company alone gives the road a traffic of $1,500,000 a year, but with all these sources of traffic the net return to the provincial treasury is about $750,000 per year. That is regardless of carrying charges, for no interest is paid on the original investment, and there is no capital repayment. In 1922 the Temiskaming and Northern Ontario railway brought in a revenue for the provincial treasury of $712,000; in 1923, $836,000; 1924, $839,000; 1925, $786,000. This, Sir, as stated, was without any provision being made for capital repayment or the payment of interest. This road was built primarily, of course, for service, and there is no question that the province of Ontario is reaping great benefit from the building of the road through other departments, chiefly, Lands and Forests, and the colonization and opening up of the country. But when the province of Quebec wished to accomplish the same objective, apparently they used the Canadian National Railway system as a catspaw.

The Nipissing Central railway was prepared, under federal charter, to extend their road into Rouyn, a distance from the border of some 28 miles. Of course, the story of the holdup in this connection is quite familiar to the members of this House. However, they have no desire to antagonize the province, but are willing to co-operate with the Canadian National railway authorities and give service and help open up that wonderful mining country which is merely an extension of the great belt extending through Manitoba, Ontario and on into Quebec.

I stated, Sir, that with all these sources of traffic the Temiskaming and Ontario railway could show a net revenue of only some $750,000 to $850,000 per year. I do not wish to cast any reflection on the Temiskaming and Northern Ontario Railway Commission or on the operation of that particular railway, because I believe it is operated as efficiently as any other road in the Dominion, the operating ratio for 1925 having been 80 per cent. The road serves some 250,000 people. Now with traffic running all one way on the Rouyn branch, with nothing grown in the country or manufactured to be shipped by return, it is only reasonable that those at the back of the Rouyn scheme should insist that the 30 per cent clause be inserted in the agreement. On that account I am inclined to believe that Sir Henry Thornton was coerced in this particular deal. There is no question about it, when it comes down to the annual repayment on the $5,000,000, the people of Canada will have to bear the brunt of the repayment of $306,957.70 a year, being equal annual instalments for thirty years, at 4½ per cent—annuity bond. And there is nothing in the agreement to show that the Canadian National railway will own the road at the termination of the thirty years.

There are a great many other considerations in connection with this particular project, but since we cannot take any immediate action on the matter I have touched only lightly on the subject, and shall wait until the strangulating

motion of the hon. member for Nelson (Mr. Bird) shall have been withdrawn or properly dealt with before dealing further with the Rouyn railway.

I would like to refer to the great question of immigration and the colonization of that north country. In reviewing the work of the committees that have dealt with this question in the past two or three years, I notice that Mr. Black, one of the officials of this government, calls attention to the fact that the north country is suitable only for Canadians, for good axe men. Nevertheless, the government have insisted on bringing into that north country, very much against the wish of the settlers there, Europeans and foreigners. I maintain that that great north country should be preserved for settlement by the young men from the older provinces, particularly Ontario and Quebec, and this could very well be accomplished by a concerted effort on the part of the municipal, provincial, and federal authorities. If our young men in a municipality in the county of Lanark, for example, were assisted by their own local municipality, by the county, and as well by the province and the Dominion, and given an opportunity to settle in that north country and kept together, they would have the same opportunities and achieve the same results which our ancestors achieved in this part of the country in years gone by. I quote from the Illustrated Weekly Journal, Canada, under date of January 30, 1926:

There is no firmer believer in the future of the northern portions of Ontario and Quebec than Dr. C. V. Corless, the general manager of the Mond Nickle Company, and he has on more than one occasion in the past been at pains to expose some of the erroneous notions held regarding them.

Not long ago he pointed out that the area surrounding Hudson bay occupied fully 90 per cent of all Canada east of the western plains. He then predicted that this great "pre-Cambrian shield" would find its greatest economic future in mineral resources, but at the same time expressed his opinion that the ultimate foundation industry for a new country was farming. Developing this view in an address at Toronto the other day, he held that in the pre-Cambrian region there was room in the fertile intervals for an agricultural population of well over a million, and the natural situation was well adapted for the interchange of agricultural products with the near-lying mineral deposits and forest industries. Dr. Corless thinks there is danger of paying too exclusive attention to the agricultural west, to the neglect of the mining and lumbering regions of northern Ontario and northern Quebec.

In the matter of colonization and work done in the north country I would at this juncture pay tribute to the administration of the Conservative party in the province of Ontario under the leadership of the Hon. G. Howard Ferguson. I would go further and say that in these days when material considerations are given the greatest prominence, it is pleasing to refer to the racial unity and religious harmony which prevails in Ontario and which has been the direct result of the efforts of the present provincial administration.

There is another question to which I would refer offhand. It is a matter of meta-politics and should be of interest to the hon. member for Labelle (Mr. Bourassa). I refer to the question of dual citizenship. So many of our young Canadians go to the United States and when asked to swear allegiance to the American flag, do so unquestionably with a mental reservation, and it occurred to me it would be interesting to hear a discussion of the old question of dual citizenship.

Now I should like to deal at some length with mining questions as they affect northern Ontario. Few not directly connected with the mining industry really appreciate its true importance in industrial life. Few realize how much industrial life is dependent upon mining and even how much directly and indirectly the present day cost of living is traceable back to mining. A great work has been accomplished in northern Ontario by the provincial Department of Mines and particularly by the present minister; and that hon. gentleman's good work is felt throughout the whole Dominion in the realm of the mining industry. I should like to quote an extract, in connection with the general awakening of interest in mining, from the Monetary Times of January 15, 1926.

Mining Investments

The great record of Canadian mining in 1925, and the handsome profits derived from some mining securities, is enticing to the investor. Mines have had a bad repute because of shady methods pursued by some promoters and the lack of knowledge on the part of the investor. But where the investor has had a real run for his money he has, on the whole, no cause for complaint. At the recent annual meeting of the Canadian Institute for Mining and Metallurgy, John A. Dresser, Montreal mining engineer, gave the following practical suggestions for putting a mine property through the development stage:—

"After assuring yourselves regarding his title of ownership and making a satisfactory preliminary contract with the prospector, examine the property. Do this thoroughly and with an entirely open mind in which neither wishes nor prejudices have any place. It is a business opportunity that it would be either a serious mistake to miss, or a disastrous one to engage in ill-advisedly. At this time it is relatively easy to be impartial. But after one has become an owner and has expended money, thought and labour upon a property, it is much more difficult for him to be a really impartial judge of it.

"In the first instance, it is often an economy to employ a reliable prospector or mine foreman to make a preliminary examination in order to learn if the property is worth the expense of a technical examination of greater cost, and perhaps to get it into condition to make an engineer's examination useful. But in any case, neither buy a claim nor

make any serious expenditure without really learning all that can be learned about it. Careful and competent inspection is a form of insurance that you cannot afford to do without in mining.

"In the course of a number of such efforts, you will find a claim that proves good—claim that with more time and care and money will become a mine. This period may be described as a period of absorbing interest, both financial and otherwise.

"When it becomes apparent that your claim has established merit, and there is reasonable promise, if not actual assurance, that it will make a mine, it is time to consider the disposition of it, and how to realize on the operation.

"Rarely, if ever, should a development, or exploration syndicate, however successful, attempt actual mining. If the pioneer work has been complex, and of a kind to require critical care, much more is this true of the organization and operation of a mine.

"Under favourable circumstances, the novice, for the exploration syndicate may still be a novice in mining, may operate a mine, even at a profit. But in many cases the life of the mine depends on its management, and experience is essential. In any event we may rest assured that the maximum profit can only be obtained by exercising the maximum skill and this should be looked for in an experienced mining company."

There is, of course, the possibility of "grubstaking" a prospector and sharing in his success—if he is successful. Prospecting is generally thought of as an enterprise for individuals, but some of our large mines maintain forces of prospectors, while there are other companies and syndicates which do nothing else. Again, a proven and producing mine becomes an investment, in fact it is about as safe a stock as you can buy, for with an ascertained volume of ore the only uncertainties are in regard to market prices and mining costs, and similar uncertainties face an enterprise of any kind.

The prospector plays the same part in the success of the mining industry as the man who wore the steel helmet did in winning the war: both bear the brunt without receiving proper appreciation. To me the prospector is at once an interesting and a romantic character. A true prospector must be both practical and visionary. His make-up partakes of the nature of poet, seer, philosopher and businessman—these to a greater or a less degree respectively according to his original temperament. Leagues away from the noise of cities and the general activities of men, he navigates the rivers and lakes, meanders through the avenues of gothic spruce, over rocks and plains, sleeping under the starry heavens, oblivious of the lapse of years that eat away a dreamer's life. Greek-like he loves the rosy-fingered dawn and the beauties of nature. But Aurora is cold and irresponsive, like her prototype in this world of the flesh, when he is broke and without a grubstake. Unless he makes a sale the prospector has no income. To anyone interested in mining—and every true Canadian should be—I say: "Your best bet is to sit in with the honest prospector." And there are hundreds of them in the north country, the best fellows in the world. It has taken them years of hardship and sacrifice to learn the game, and now with the great impending boom you have an opportunity for tremendous profit at a very small outlay. Help the prospector buy his grubstake, and help him do his assessment work, to show up his holdings to advantage, and when the deal goes through you and your descendants for the next three generations will be sitting pretty.

I would refer, Sir, to other general topics of importance to the north country. As to labour I represent a great many miners,—men from all parts of the continent and all parts of the world—Irishmen, Cornishmen, men from Nova Scotia. And here I would remark that there must be something radically wrong with the mines of the east when those chaps found themselves compelled to set up the disturbance they have done in the past. On the general questions of interest to labour I am prepared to support any measure brought down and submitted in workable form; but as regards the standing of the independent groups I submit, that on this short island portage known as life a man's reach should not exceed his grasp. Something definite, something tangible should be accomplished.

With further reference to protection and in connection with the woollen industry, I was interested and ironically amused to hear the remarks of the hon. member for Ottawa (Mr. McClenaghan) in connection with the nemesis which had overtaken a woollen manufacturer who had throughout the years stood for the a priori dogmas and principles of free trade.

Questions such as rural credits and railway rates will unquestionably come up in committee form when there will be an opportunity of fuller discussion. At this particular stage of the debate I have other references to make in connection with the general development of the country. I would refer again to the mining industry and particularly to the mining of iron. A proposition was submitted by the provincial authorities in regard to the beneficiation of iron ore. From reports, however, we see that our iron ore development is not going ahead, but foreign deposits are still being operated to the disadvantage of the workers of this country and our great natural resources. I should like to quote an extract from the Canadian Mining Journal of February 12, 1926:

Still Buying Abroad

The United States Department of Commerce reports that in the month of November, 1925, the exports of primary forms of iron and steel to Canada amounted to 58,826 tons, which was forty per cent of the tonnage exported in that month. Japan came second, but took less than a quarter of Canada's purchases.

The great bulk of these materials could have been produced in Canada in works already established and

by workmen already trained and ready, and most of them would have been produced at home if special inducements were not offered to buyers to procure them from abroad.

These special inducements are of two kinds, those that are normally offered by manufacturers in every country who are desirous of increasing their export trade. and those that are offered by our own government in the way of exemption from duty, or admission upon payment of duties, below normal or average rates, or the return of duties, when the materials are used in favoured industries.

The rates of duty on the steel imported into Canada from the United States in November, 1925, varied from 5 per cent to about 20 per cent. On nearly 20,000 tons there are two rates, distinguished by arbitrary units of size or weight. Material in one form may pay the equivalent of 20 per cent while material of exactly the same kind, shape and purpose may be required to pay only 10 per cent. And as has been noted, some sorts are on the free list and pay no duty at all, while others have 99 per cent of the duty remitted if they are used for certain specified purposes. If they are used for any other purpose, even though it may be equally essential to the comfort and happiness of some class of the people, no refund can be obtained.

We have great workable iron ore bodies through the north country, and co-operation by the federal authorities in this respect would give us an opportunity to call upon our coal miners for further supplies, give work to the men in that part of the country and at the same time develop the industry in both the east and the north.

I note in the Speech from the Throne a reference to the construction of the Hudson Bay railway. Naturally, we maintain that the first railroad that should reach the Hudson Bay or the James Bay country is the Temiskaming and Northern Ontario, which is now some sixty-five miles south of that point. But I look upon this great body of water in the north country as a national heritage, and the development of mines and power and other natural resources on and back from the shore line will bring about a great deal of inland navigation and traffic which will redound to the benefit of those roads. In saying that I should support the completion of the Hudson Bay railway, I do so with certain reservations as to the amount involved and the plan to be submitted, but it is my opinion that in ten years' time we shall have not only one railroad but three or four railroads to the Hudson Bay area.

Another great question in our northern country is one very closely connected with successful colonization. I refer to the construction of roads. Under the former Conservative administration a certain amount was allocated for expenditure in each province on roads to be built at the discretion of the provincial authorities. Under the Progressive regime in Ontario none of that money was spent in the northern country. I submit that development in Ontario has reached a point as a result of which the area referred to heretofore and very often in this House as the "hump" will shortly become the connecting link between the east and the west. The time is ripe for the construction of a national highway through the great clay belt, and a grant in that connection would be in the interest not only of the immediate district and the settlers there but of Canada as a whole. Money spent in this way would show up to great advantage, and the saving made in the construction of such a proposition as the Rouyn railway could be used in this way to advantage in building up traffic for our national railways along the route.

In conclusion, Sir, I submit that the present administration is not in the confidence of the people of this country, but, compromisers and trimmers, they and their works shall be swept away by the confluence of public opinion and national resolution at no distant date—swept, I say, into oblivion, like autumn leaves on a swollen stream.

NOTICE OF MOTION FOR CLOSURE

Hon. ERNEST LAPOINTE (Leader of the House): Mr. Speaker, I rise for the purpose of moving the adjournment of the debate. But before doing so, I desire to give notice that at the next sitting of the House, before the order of the day for resuming this debate is called, I shall move that the present debate, namely the debate on the proposed motion of Mr. Elliott for an Address to His Excellency the Governor General in answer to his Speech at the opening of the session, and the proposed motion of Mr. Bird "that this question be now put" shall not be further adjourned. I move the adjournment of the debate.

Some hon. MEMBERS: Hear, hear.

Mr. LAPOINTE: I am glad to see that my right hon. friend is welcoming his child with delight.

Motion agreed to and debate adjourned.

On motion of Mr. Lapointe the House adjourned at 10.25 p.m.

Tuesday, March 2, 1926

The House met at three o'clock.

OBJECTIONABLE PRINTED MATTER

On the Orders of the Day:

Hon. S. C. MEWBURN (East Hamilton): I desire to direct the attention of the Acting Postmaster General to the following communication which I have received and which speaks for itself:

Don't you think that something should be done to prevent publications such as the Evening Graphic, the Daily Mirror and the Detroit Times coming into Canada? I am informed that the sale of the Mirror in Hamilton is no less than 5,000 copies daily, and they charge two cents for the dirty sheet. Spend a few minutes in looking over these publications. All publishers of decent Canadian newspapers would be glad to have such salacious sheets suppressed.

Will the Acting Postmaster General be good enough to look into this matter and see whether something cannot be done to suppress this obscene literature?

Hon. GEORGE H. BOIVIN (Minister of Customs): We have already received several complaints concerning the Daily Mirror. These complaints have been investigated by our censor and an order goes from the department this afternoon banning this newspaper in Canada. As regards the others, an investigation will be made and if the censor deems it advisable the same action will be taken.

RUMOURED REDUCTION IN AUTOMOBILE DUTIES

On the Orders of the Day:

Hon. R. J. MANION (Fort William): I wish to lay before the government a short telegram which I have received with reference to the tariff on automobiles. I realize of course that no statement can be made on the matter at this stage but I want to bring it to the attention of the government. The telegram reads:

Rumours of reduction in tariff on automobiles seriously hindering sales here. Our members anxious to learn if any truth in report and desire to point out disastrous effect if dealers are not protected on cars in stock and if tariff is reduced on used cars allowing Americans to flood market.

This telegram is dated Fort William, March 1, and is signed by O. G. Sturdy, secretary, Lakes Head Motor Trades Association. I simply submit it to the government for consideration at the proper time.

LEAGUE OF NATIONS

ADMISSION OF GERMANY AS PERMANENT MEMBER OF COUNCIL

On the Orders of the Day:

Sir GEORGE PERLEY (Argenteuil): Next week there is to be a meeting of the council of the League of Nations at Geneva and a special meeting of the assembly for the purpose of making Germany a permanent member of the council of the league. At present the council consists of four permanent members and six other members selected by the assembly from time to time. I see by the press that an effort may be made at this meeting in Geneva to further increase the permanent members of the council, but this cannot be done without the approval of the assembly. I should like to ask the acting head of the government the names of the delegates who will represent Canada on this occasion, whether any, and if so, what instructions have been given them regarding the admission of Germany to the council and also regarding the question of further increasing the permanent members of the council in case it comes up for discussion in the assembly.

Hon. ERNEST LAPOINTE (Leader of the House): As my hon. friend has said, the Secretary General of the League of Nations has requested the various members of the league to send delegates to a special meeting of the assembly to be held on March 8 for the purpose of considering the request of Germany for admission to the council of the league. The Canadian delegates are Senator Dandurand, leader in the Senate, who was president of the assembly last fall, the High Commissioner for Canada in London and the Commissioner for Canada in Paris, with Dr. Riddell, who is already in Geneva, as a substitute. It seems to be the general opinion everywhere that Germany should be admitted as a member of the league, and even given a seat on the council. As my hon. friend has said, proposals have been made for the appointment, as permanent members of the council, of two or three other nations, Spain, Brazil and Poland having been suggested. The matter was discussed with Senator Dandurand prior to his departure for Geneva, but of course whatever may be my opinion or the opinion of other hon. members it is preferable that the formal applications of these nations be placed before the assembly before any private views are expressed in regard to them. It is understood that communications will be exchanged between our representatives there and this government, but the matter of making public all the information that may come to the government is, I think, somewhat delicate. I have noticed, as hon. gentlemen may have noticed also, that both in England and in France the government have declined to state their opinion on the matter at the present time. My hon. friend may be sure that the views expressed in Canada by those who are especially interested in questions appertaining to the League of Nations, the views of such organizations, for example, as the League of Nations Association, as well as of private individuals, will be given the most serious consideration. If I were free I might say that my opinion coincides with that of my hon. friend, but I am not free to say so. However, everything will be submitted to the delegates there and the views of Canada will be represented.

EXCESSIVE MOISTURE IN WESTERN GRAIN

On the Orders of the Day:

Mr. JOHN MILLAR (Qu'Appelle): On January 22 I drew the attention of the Acting Minister of Trade and Commerce to the fact that owing to congestion in the elevator at Fort William a considerable quantity of damp grain was likely to spoil. I want to ask now what special measures have been adopted by the department to prevent loss of western grain because of excessive moisture, and what progress has been made.

Hon. J. A. ROBB (Acting Minister of Trade and Commerce): This morning my hon. friend advised me that he would ask this question, so that I am in a position to put on Hansard a statement of the measures which the government have taken to take care of damp and tough grain in elevators and in transit. After my hon. friend on January 22 had directed our attention to the serious situation on account of the large amount of tough and damp grain on hand, and following the statement I then made, I obtained a report from the chairman of the grain commission, dated January 28, who advised me that a statement prepared that day showed that of 5,000 cars in the yards at the head of the lakes the Canadian Pacific Railway had 87 with damp and 1,177 with tough grain; and the Canadian National 170 with damp and 923 with tough grain. He further advised me that the terminal elevators were picking out the damp cars billed to them so that they might be taken in and dried. He assured me that every effort was being made to take care of tough and damp grain so as to minimize the danger of loss.

Following that, on February 20, the secretary of the grain commission, in a letter directed to the Deputy Minister of Trade and Commerce, advised the department on the situation. In order that the House and the country may have the benefit of this information, I crave indulgence to place the letter on Hansard:

Dear Sir:

Tough and Damp Grain

Owing to the large amount of tough and damp grain now in store in public and private elevators throughout the western grain inspection division, as well as considerable quantities in transit railway yards, country elevators and in farmers' hands, the board had several meetings with interested parties regarding the drying of this grain.

The drying facilities throughout the western inspection division are practically all operating to their full capacity in the drying of damp grain, with the result that most of the damp grain now in store in the elevators will be dried before the opening of navigation.

Under the provisions of the tariff governing the public terminal elevators operating in the western inspection division, tough grain is received from November 1 to April 1 under the same terms and conditions applying to straight grade grains. Such tough grain, therefore, as may be in store at the present time must be allowed to remain in store in its present condition, unless it should become heated, in which event sections of the act relating to out-of-condition grain (130 to 139) must be complied with.

After reviewing the whole situation very carefully the board is of the opinion that all tough and damp grain now in store in the elevators can be taken care of, providing the drying of same is proceeded with immediately, the elevators equipped with drying facilities utilizing same to their full capacity, but there is a danger of the grain now in box cars, both in transit and in railway yards, and that yet to be marketed, going out of condition, if we should experience an early spring.

At the present time the elevators have sufficient tough and damp grain in store to keep their drying facilities working to full capacity continuously from March 1 to the opening of navigation.

The only way in which the drying facilities can be used to the best advantage is to allow the public and private elevators to dry, with the least possible delay, all tough 3 northern and lower grades of wheat now in store, and in addition all tough, coarse grains as may be advisable, so that these facilities will be available at the opening of navigation to take care of grain which is in danger of going out of condition and which cannot be unloaded at the present time.

The board's reason for recommending the drying of only 3 northern and lower grades of wheat is that under section 96 of the Canada Grain Act, the last paragraph under the heading, "Spring Wheat", 3 northern and lower grades which may be dried, may be graded in such regular grades as the inspector determines, whereas, in the drying of 1 and 2 northern, the inspector, in his discretion, issues a certificate for dried 1 or 2 northern, which only commands the price of 3 northern wheat.

Then, on the recommendation of the Board of Grain Commissioners, this order in council was passed on February 26:

The following regulations made by the Board of Grain Commissioners for Canada, pursuant to sections 20, 87 and 140 of the Canada Grain Act, chapter 33, 15-16 George V, are hereby approved:

(1) All public and private elevators in the western grain inspection division, except those public and private elevators situated at Vancouver, shall proceed to dry, according to the drying facilities in the elevators in which such grain may be stored, all tough 3 northern and lower grades of tough wheat, and, in addition, all tough, coarse grains as may be advisable.

(2) On all tough grain dried, the elevators shall be entitled to deduct 4 per cent from the amount as shown on the outstanding warehouse receipt to cover loss in drying.

(3) This order in council shall be effective the first day of March, 1926, and shall be subject to such regulations as the board may provide under subsection 1 of section 87 of the Canada Grain Act, to ensure the proper carrying out of this order.

(4) The Board of Grain Commissioners, owing to the urgency of the situation, is empowered to make regulations for the handling of such tough and damp grain, under the provisions of section 87, effective on the publication of such regulations, without requiring to submit such regulations for the approval of the Governor in Council.

In addition to that we have, at an expense of $942, provided additional drying facilities at Moose Jaw.

GERMAN REPARATIONS

On the Orders of the Day:

Sir HENRY DRAYTON (West York): Mr. Speaker, may I ask whatever hon. gentleman now represents the Secretary of State what progress is being made in the payment of claims for German reparations? I have had complaints recently from people whose situation is serious. They seem to think that no progress is being made at all in securing payment of their claims. I am emboldened now to make my request because during the latter days of the last session of the late parliament the government, we understood, were in a position to deal with the matter and were talking of introducing a bill.

Hon. ERNEST LAPOINTE (Leader of the House): Mr. Speaker, the Acting Secretary of State at the present time is the Postmaster General (Hon. Mr. Murphy) who is a member of the second chamber. I shall be pleased to call his attention to the remarks of my hon. friend, and I am sure the latter will receive all the information he needs.

Mr. MEIGHEN: At some time

MOTION FOR CLOSURE

Hon. ERNEST LAPOINTE (Leader of the House): Mr. Speaker, I beg to move, seconded by Mr. Robb:

That the debate on the proposed motion of Mr. Elliott for an Address to His Excellency the Governor General in answer to his Speech at the opening of the session, and the proposed motion of Mr. Bird, "that this question be now put", shall not be further adjourned.

The House divided on the motion (Mr. Lapointe) which was agreed to on the following division:

YEAS

Messrs:

Baldwin,
Beaubien,
Benoit,
Bettez,
Bird,
Boivin,
Bothwell,
Bouchard,
Boucher,
Bourassa,
Boutillier,
Brown,
Cahill,
Cannon,
Cardin,
Carmichael,
Coote,
Delisle,
Denis (St. Denis),
Denis (Joliette),
Desaulniers,
Descoteaux,
Deslauriers,
Dionne,
Donaghy,
Dubuc,
Dussault,
Elliott,
Evans,
Evanturel,
Fafard,
Fansher,
Fiset (Sir Eugene),
Fontaine,
Forke,
Fournier,
Gardiner,
Garland (Bow River),
Gervais,
Girouard,
Goodison,
Goulet,
Guérin,
Hall,
Heaps,
Heenan,
Howard,
Howden,
Jacobs,
Jelliff,
Johnston (Long Lake),
Kay,
Kennedy (Peace River),
King (Huron North),
King (Kootenay East),
Lacombe,
Lanctot,
Langlois,
Lapierre,
Lapointe,
Lavigueur,
Letellier,
Lovie,
Lucas,
MacLean (Prince),
McLean (Melfort),
MacPhail (Miss),
McIntosh,
McKenzie,
McPhee,
Malcolm,
Marcil,
Mercier (Laurier-Outremont),
Mercier (St. Henri),
Millar,
Morin (Bagot),
Morin (St. Hyacinthe-Rouville),
Motherwell,
Neill,
Parent,
Perras,
Pouliot,
Prévost,
Rhéaume,
Rinfret,
Robb,
Roberge,
Robichaud,
Robitaille,
Ross (Moose Jaw),
St-Père,
Sanderson,
Séguin,
Spence (Maple Creek),
Spencer,
Steedsman,
Stewart (Edmonton West),
Stork,
Sylvestre,
Tobin (Richmond-Wolfe),
Tobin (Wetaskiwin),
Totzke,
Vallance,
Verville,
Ward,
Woodsworth,
Young (Saskatoon),
Young (Weyburn).—108.

NAYS

Messrs:

Anderson (Toronto High Park),
Anderson (Halton),
Armstrong (Timiskaming South),
Armstrong (Lambton East),
Arthurs,
Baker,
Bell (Hamilton West),
Bell (St. Antoine),
Bennett,
Black (Yukon),
Black (Halifax),
Bowen,
Bristol,
Bury,
Cahan,
Casselman,
Chabot,
Chaplin (Kent, O.),
Chaplin (Lincoln),
Charters,
Church,
Clark,
Cotnam,
Culligan,
Dickie,
Doucet,
Drayton (Sir Henry),
Duncan,
Edwards (Waterloo South),
Edwards (Frontenac-Addington),
Embury,
Esling,
Fish,
Fraser,
Garland (Carleton),
Geary,
Gott,
Grimmer,
Guthrie,
Hamilton,
Hannesson,
Hay,
Johnstone (Cape Breton North-Victoria),
Kaiser,
Kennedy (Winnipeg South Centre),
Ladner,
Lennox,
MacDonald (Cape Breton South),
Macdonald (Richmond-West Cape Breton),
MacLaren,
Maclean (York South),
MacNutt,
McClenaghan,
Macdougall,
McGibbon,
McQuarrie,
Maloney,
Manion,
Maybee,
Meighen,
Messervy,
Morand,

Mullins,
Murphy,
Nicholson,
O'Neill,
Peck,
Perley (Sir George),
Pettit,
Preston,
Price,
Quinn,
Rogers,
Ross (Kingston City),
Rowe,
Ryckman,
Ryerson,
Senn,
Short,
Simpson,
Sinclair,
Smith,
Smoke,
Spence (Parkdale),
Stansell,
Stevens,
Stewart (Leeds),
Stinson,
Stirling,
Sutherland (Oxford South),
Sutherland (Oxford North),
Thompson,
Tummon,
White (Mount Royal),
Wilson (Wentworth).—95.

PAIRS

(The list of pairs is furnished by the chief whips.)

Messrs:

Macdonald (Antigonish-Guysborough),
Jenkins,
Raymond,
Casgrain,
Hatfield,
Donnelly,
Lacroix,
Duff,
Gershaw,
Cross,
Wilson (Vaudreuil-Soulanges),
Laflamme,
Power,
McMillan,
Macdonald (Glengarry),
Euler.
Hanson,
Macdonald (Kings),
Bell (St. John-Albert),
Boys,
Flemming,
Barber,
Robinson,
Foster
Davis,
Tolmie,
White (London),
Langworthy,
Mewburn,
Wright,
Harris,
Hocken.

Mr. McMILLAN: I was paired with the hon. member for North Perth (Mr. Wright). Had I voted I would have voted for the motion.

Mr. MACDONALD (Antigonish-Guysborough): I was paired with the hon. member for York-Sunbury (Mr. Hanson). Had I voted I would have voted for the motion.

Mr. CASGRAIN: I was paired with the hon. member for North Simcoe (Mr. Boys). Had I voted I would have voted for the motion.

Mr. JENKINS: I was paired with the hon. member for Kings (Mr. MacDonald). Had I voted I would have voted for the motion.

Mr. MEWBURN: I was paired with the hon. member for Quebec South (Mr. Power). Had I voted I would have voted against the motion.

Mr. SPEAKER: In order that we may be clear on the closure rule, I would like to remind hon. members that in consequence of the passing of this motion their speeches will be limited to twenty minutes.

GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

The House resumed from Monday, March 1, consideration of the motion of Mr. J. C. Elliott for an address to His Excellency the Governor General in reply to His Speech at the opening of the session, and the proposed motion of Mr. Bird: "That this question be now put."

Hon. ERNEST LAPOINTE (Leader of the House): Mr. Speaker, this House has been sitting since the seventh day of January. It was summoned at the earliest possible date after the general election for a special purpose, namely to settle the situation created by that election. On November 17 the Prime Minister (Mr. King) issued a statement giving the reasons why parliament had been summoned for that date, and I am going to read just a few words from that statement. He said:

> Once the question of party majority is settled, an adjournment of parliament can be made to enable whichever party may be entrusted with the duty of carrying on the government time within which to conduct the necessary by-elections and have in readiness the further work of the session.

He also added:

> The interests of the country will therefore in no way suffer if, as soon as parliament meets, the question of majority support is decided and an adjournment is then made to permit of the party enjoying the support of the majority in the House of Commons making the necessary arrangements for the continuance at the proper time of the work of the session.

It was well understood and discussed in the press all over Canada that when this question was settled there would be an adjournment of the House for the purpose already mentioned. On the 8th of January, the day following the opening of parliament, the right hon. leader of the opposition (Mr. Meighen) challenged the right of the government to summon parliament and carry on the administration. This motion was voted down after a somewhat extensive debate, and on the 18th of January the hon. member for West Middlesex (Mr. Elliott) moved the Address in reply to the Speech from the Throne. This debate went on for a certain time, and on the 26th of January, when the debate was being adjourned, the right hon. leader of the opposition, as may be seen in Hansard at page 473, said:

> While this motion is not debatable, certainly we ought to be closing this debate and not dragging it along at such great length with such extended speeches.

The right hon. the leader of the opposition (Mr. Meighen), on the 28th of January, as will be seen at page 496 of Hansard, inquired

from the government whether it was true that there would be an adjournment of the House, and he added:

The consequence of the intimations has been that members of this House have not been able to make their arrangements for the session, or the bringing down of members of their families who intend to be here should the session be continued. There has been a constant disarrangement of the programme of very many hon. members of parliament. I think the government should intimate now—in fact it should have done so sooner—whether it proposes to ask for an adjournment of the House for any considerable period of time; if so for what period, and when.

Answering my right hon. friend I said, for the purpose of his friends making their arrangements accordingly, that there would be an adjournment of six weeks, and that a motion would be presented to the House for that purpose. A notice of motion was immediately given, and on January 28th, when the debate was adjourned, my hon. friend from Vancouver Centre (Mr. Stevens), who was then leading the opposition, said:

Mr. Speaker, I would like to ask the hon. Minister of Finance (Mr. Robb) as leader of the House how long it is intended to prolong this debate and, I may say, obstruct the progress of business. Can my hon. friend give to the House any indication of when we may expect it to close, in order that hon. members may adjust themselves to this rather strange and unusual position of a government obstructing its own business?

Relying on these statements, Mr. Speaker, a motion was presented to the House for the purpose of securing an adjournment of parliament for a period of six weeks, but immediately this motion came before the House it was fought and opposed from all angles by hon. gentlemen opposite. Still it was voted on and approved by a majority of the members of this House. Then hon. gentlemen opposite, instead of voting the Address, as they had appeared so anxious to do, resumed the debate, and my hon. friend from South Oxford (Mr. Sutherland), on February the 8th, one month after the opening of parliament, moved an amendment which would have had its proper place in the budget debate. That amendment was voted down, and my hon. friend from Nelson (Mr. Bird) then moved the previous question.

In the course of the debate on the motion of my hon. friend from Nelson, as well as on the motion of my hon. friend from South Oxford, we heard statements at different times from hon. gentlemen opposite that they would debate this Address and would speak as long as was necessary to prevent an adjournment being granted. I say, Sir, that this was frustrating the will of parliament; it was treating with contempt the decision of the majority and the supremacy of this legislative body.

Hon. gentlemen opposite refer to us in terms of contempt as a remnant of a government.

Some hon. MEMBERS: Hear, hear.

Mr. LAPOINTE: Hear, hear. They know those words have been repeated every day. The terms do not change very much. The government is described as a remnant of a government, as a rump, or a trunk and other expressions of that kind; but, Sir, such as it is, this remnant, this rump, this trunk, has beaten hon. gentlemen opposite every time we have been given the opportunity, and this has happened on eight different occasions this session—and nine, if I include the vote this afternoon. Obviously they do not seem to realize that when they belittle opponents who beat them at every corner and at every opportunity, they but accentuate and demonstrate and exhibit their own weakness. They have lost their own time; they have lost our time, and they have lost the time of the country. They could not defeat the government. I challenge them to defeat us now; they cannot defeat us.

Mr. MANION: Wait till the next election.

Mr. LAPOINTE: Wait till the next election? But we are in parliament just now. This is the explanation, Mr. Speaker, why we have been so tolerant, so patient, allowing the opposition of hon. gentlemen opposite to wear itself out, to disappear of itself, of its own futility and meaninglessness. But, Mr. Speaker, the statement made by the chief whip of the Conservative party (Mr. Boys) on Friday afternoon was a bold and brazen challenge which we cannot ignore. The majority of the members of this House must rule, and the majority of the members of this House will rule. The will of the majority of parliament has been asserted in two main and glaring instances. First, it declared that the government was justified in summoning parliament and in carrying on the administration; second, that this parliament should adjourn for a certain period of time for the purposes which were submitted to the House.

4 p.m.

Mr. MEIGHEN: Will the hon. gentleman permit a question?

Mr. LAPOINTE: No, I have only ten minutes more. My right hon. friend knows well the rules of which he is the father.

The attitude of hon. gentlemen opposite has been one of contempt for parliamentary institutions, and they have the unenviable responsibility for the feeling in the minds of

many people which such contempt spreads throughout the country. I was sorry when I heard my eminent friend from St. Lawrence-St. George (Mr. Cahan) use in the course of his speech the following words:

> I can tell him that so far as I am concerned, he will have to change the rules of the House to prevent my obstructing, in order to prevent the forcing through of any such measure as that.

I was sorry for my hon. friend, for whom I have the greatest respect and admiration, because that statement was certainly not worthy of his high reputation. What are laws and what are regulations if not an expression of the will of the majority? And it is setting a pernicious example and giving a nefarious excuse to would-be lawbreakers when political leaders challenge the will of majority and try to smuggle through their own defeated persons and opinions.

Last year a committee sat for the purpose of revising the rules of parliament, and one of the decisions of that committee was that the length of speeches in this House should be restricted to forty minutes, except those of the two leaders. That recommendation was unanimously adopted by the committee and reported to the House. The leader of the opposition, when the report came up in the House, said that unfortunately it came up too late in the session, but he was giving his support to those rules, and he would see to it that they would carry after the election.

Mr. MEIGHEN: What?

Mr. LAPOINTE: My right hon. friend may deny the statement but he can read Hansard. I will not cite any newspaper extracts. If that was his opinion, what can we say about my right hon. friend who resorts to tactics that he himself thought should be suppressed? What is to be thought of the logic of the statement of the chief whip of the opposition when he said: We are prolonging this debate because there is no business before the House. We will wait until the Prime Minister is back in the House and if he has no business after one day or two days, we will vote and we will adjourn. We will cease obstruction, for the very reason for which we obstructed. Have you ever seen such logic? I was not surprised that the chief whip seemed uneasy when he was reading that carefully prepared statement which had been placed in his hands. How can it be otherwise when statesmanship, broad vision and public interest are to give way to spite, disappointment and narrow partisanship? The hon. member for St. Lawrence-St. George discovered something else. He said: The acting leader of the government is responsible because he made a motion for the purpose of giving precedence to the Address. Let him withdraw that motion and proceed with business. Is that Tory loyalty when those gentlemen are out of power? When has the House refrained from moving the Address for the purpose of discussing the legislation announced in the Speech from the Throne? It is the first communication of the sovereign and it is always given first consideration. The hon. member for West York (Sir Henry Drayton) cited a case in 1884 when the consideration of the Address was postponed from day to day on account of a vote of censure regarding affairs in the Soudan war. This was so exceptional that Bourinot and May have recorded it. In the same way this year something exceptional was moved in this chamber before the Address was considered. It was the motion of my hon. friend. In the British House of Commons the Address is voted after a very few days of debate. In 1882 the British House of Commons considered the Address from February 7 to February 18, and it is the longest case recorded in Bourinot. It is preposterous on the part of gentlemen who have a standing in this House to suggest that the Address be withdrawn for the purpose of considering the legislation announced in the Speech from the Throne. Before the Address is voted the House is not properly organized to function. We have no Deputy Speaker, and you, Sir, have been a martyr to your duty as Speaker.

I repeat, the majority in this House is going to rule. We are not those who can be intimidated or discouraged. The majority of the people of Canada, whether you call them Liberals, Progressives, Labour or Independents, have intimated that they do not want the right hon. gentleman as Prime Minister of Canada and we shall see to it that their will is respected and that my right hon. friend does not reach the goal of his ambition. Hon. gentlemen have wasted nearly two months in futile, dull, uninteresting debate, and if I may be permitted, with all due deference, I may say a debate prolific only of abuse, denunciations and very feeble, auxiliary gibes and jokes. The power to decide is in the hands, not of those whom my right hon. friend would like to have as judges, but of those whom the people have elected as judges. His argument is based on what should be done. My argument is based on what has been done.

Since the date of the general elections, the Conservative party has gone through three successive periods. First we witnessed a

Niagara of vehement enthusiasm which gradually decreased in intensity; second, we were subjected to bitter criticism, sometimes verging on insanity, and, third, some gentlemen of the Conservative party—I do not mean in the House—have suffered from an epidemic of political hysteria. The frenzy of part of the Tory press of Canada to-day is the comic relief of our current politics. Let me tell them once and for all that we are not going to let anybody shout us out, or abuse us out, or even chloroform us out by meaningless and tiresome speeches. We are going to carry on this administration in the interest of all the people in Canada and not merely of some private business. Many forces are exerting themselves against us and are resorting to spectacular publicity. They are active in our province, but we are there blocking the way and we dare them and their plutocratic methods to defeat us. While they are whining and whistling, Canada is going ahead, Canada is entering upon a new period of not only recovery but of prosperity, as all the statistics of trade, employment and public finance demonstrate eloquently. We are going to carry on; we are going to appeal to the best, not to the worst of men, not to their hatreds or their passions. We are going to appeal to unity and harmony in this country, and we shall be victorious.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): The acting leader of the government has delivered himself, I hope to his own satisfaction, of a speech evidently quite carefully prepared over a long period of time—

Mr. LAPOINTE: That is another one of the right hon. member's mistakes.

Mr. MEIGHEN: —the purpose of which, so far as I could judge, was to crowd as many of the offences which he charged against us as could possibly be crowded into the compass of his own twenty minute speech. In the course of his preparation there was one resource which he very distinctly omitted. While emphasizing the determination of his government, which he himself calls a trunk, a chunk and I know not what, to carry on by force of majority—which, by the way, is not its party's majority at all—he became very enthusiastic over the rule which he now invokes. Hon. members who were within parliament prior to four years ago will remember that, of all hon. gentlemen opposite in numbers then almost what they are to-day who condemned this rule, its principle, its initiation, its application, who condemned it day and night with bell, book and candle, the most vociferous was himself the then hon. member for Kamouraska. He declared that the application of this rule was the gag and the disruption of a free parliament. As time is very precious I cannot quote much of what he said. If I could quote it all, I would piece together from the speeches of the then hon. member for Kamouraska, the present Minister of Justice, a better speech than he delivered this afternoon but one wholly on the other side of the case. He said on the 16th April, 1913, when this very rule was under review:

> I wish to enter my solemn protest on behalf of my constituents which I have the honour to represent in this House against this infamous proposal of the government.

This infamous proposal which he now adopts as his own in the House to-day:

> When I hand over my mandate to them, I will be in a position to say: "You are free citizens and you have returned a free representative; I was desirous of fulfilling my duty, my whole duty; but it happened one day that brute force prevented me from doing so, I was gagged.

Who is the parent of brute force this afternoon? Who is the gagger now? He continued:

> But, Mr. Speaker, there still remains with us two sources of energy which cannot be gagged; faith in the righteousness of our cause and the nobleness of our aims.

At another point he declared that by this rule parliament had debased itself and that mails or mail bags could be robbed, and all sorts of crimes could be committed. The people's representatives could never intervene; the freedom of parliament was gone. The hon. member was not alone in that respect. The hon. member who now sits behind him stood up and in a voice full of pathos declared that he was sorry to have to admit that he rose for the last time in a free parliament, that parliament had been robbed of functions of which it had boasted for generations. There was scarcely an hon. gentleman opposite, indeed not one of those who were in the House at that time, who did not denounce the closure rule, denounce its principle, its application and everything about it, and declared that it was alien to British institutions. One after another rose in his place and said: "The Conservatives want to restrict trade and now also they want to restrict discussion. We are for freedom on both counts of the indictment, and in the cause of freedom we are prepared to suffer and die." The hon. member will recall those words from the mouth of the then member for Red Deer, who excelled in eloquence, if not in vituperation, those who represent the Liberal party

to-day. Now they have abandoned both free trade and free discussion.

I do not object to closure. I believe the closure rule is essential in all free parliaments. This doctrine I preached in 1913, and this doctrine we on this side of the House sought to drive home to hon. members opposite. This doctrine they repudiated and they declared that parliament debased itself by the adoption of such a rule. Has any explanation come from the Minister of Justice this afternoon of his change of front? Is there anything left for this government to swallow of all its professions throughout all its history?

The closure rule has been open to adoption by hon. gentlemen opposite from the beginning. By the rules of the House we always loyally abide. By this rule, as by every other rule, we are prepared to abide. What is to be thought of a leader of the government who, afraid to use the rule, afraid to resort to perfectly proper remedies at his disposal, sits in his seat for days and weeks, and complains of members on this side of the House?

The hon. minister comes forward and tells us, "Oh, we just called parliament together on the 7th January for one purpose and only one purpose, namely, to find out which party had the confidence of parliament, whether the government of the day or some other party. Is that why they called parliament? Does the leader of the government reaffirm now his statement that that is why he called parliament together? He told us when parliament met that such was the reason. Why then did he put a long succession of misrepresentation and deceit in the mouth of His Excellency in the form of an Address, if parliament was called together for the sole purpose of deciding who was supreme in parliament? If the minister now speaks the truth, that purpose should have been the sole constituent in the Speech of His Excellency presented to the House of Commons. That was what ought to have been the sole feature of the Speech, but the hon. gentleman knew that if he came honestly before this House and stated the purpose of calling the session he could not get a majority in this House. The hon. members knew that on the record of their four years they could not get a majority in the House, and the hon. Minister of Customs (Mr. Boivin) admitted this truth in one of the debates in the House this session. After all these blandishments have been held out by way of bribe and nothing else to hon. members to my left—matters that were entirely foreign to the purpose of calling parliament together—the Minister of Customs, speaking for the government, knowing well that on their record they could not be sustained, looked across to hon. members to my left and said: "If you vote with us on this vote of confidence you do not vote support of us or approval of us on our record." And furthermore, he declared that the government would not accept the vote as one of confidence entitling them to the rights of a government at all. By that assertion a farcical and artificial loophole was offered to hon. gentlemen, through which they could escape and through which they could, to the satisfaction to the government at least, justify the support of the administration. By virtue of such conduct they have gathered round them the support, temporarily, I hope, of the hon. members to my left, and not one of those hon. members will rise in his place now and say that for any other reason on earth he supports this government at this time.

This government, the moment they faced a motion of confidence, declared that those who would vote for them would not be voting confidence in them at all. On the assertion of the Minister of Customs on behalf of the government it was to be no vote of confidence. Can any member of the government dare say that parliament has voted confidence in them to this day? The government is directing its efforts now to see that the House gets no opportunity to vote on the question of confidence. The government invokes what it declared for ten years to be an infamous closure rule, in order to make sure that parliament never gets an opportunity of voting want of confidence. In this they have the "co-operation" of at least certain hon. members to my left. In this they have the active "co-operation" of the hon member for Nelson (Mr. Bird). After resolutions expressive of what we believed to be fundamental faults in government policy were disposed of, this House was about to have presented to it, as hon. gentlemen knew, as the hon. member for Nelson knew, as every member of the Progressive party knew—

Some hon. MEMBERS: No, no.

Mr. BIRD: The hon. gentleman did not know any such thing.

Mr. MEIGHEN: The hon. gentleman from Nelson did not know what?

Mr. BIRD: Did not know what the right hon. leader of the opposition alleges.

Mr. MEIGHEN: The leader of the opposition has not stated yet what the hon. member for Nelson knew. He rose before I said it. This was part of the "co-operation." Through the press of this country we had informed this House more than once that a vote

of want of confidence would be moved, and even the name of the mover was given to the press. If hon. gentlemen did not know it, then they are using the word "know" in a sense never before understood in parliament. Right on the eve of the motion, when indeed the member who was about to make the motion was on his feet, the member for Nelson stood up and forced himself on the attention of the Speaker, in order that what we are told was the avowed purpose of calling parliament might be frustrated; in order that hon. gentlemen would not be in the position of having to vote yes or no on the question of confidence. The debate has been prolonged, so hon. members opposite complain. They say that as long ago as January 28 or early in Februaary I asked why the government did not get on with business. Certainly I did, and I have asked that question ever since. We on this side have appealed to the government to bring some business before parliament. We have offered, and the government has known that we have been prepared all these weeks, to come to a vote on the Address provided only there was some business for parliament to transact.

The closure rule is all right; it is perfectly defensible, justifiable and necessary. But never in the history of any parliament was closure adopted for the purpose of giving its members a holiday. Those who stoutly resisted this rule when applied only for the purpose of learning the will of parliament on absolutely essential legislation, only for the purpose of getting the decision of this House on important legislation submitted by the government; those who fought day and night to prevent the application of closure for such purpose, come into parliament this afternoon and call upon all their own followers and their allies to the left to stand up and support closure in order that parliament may adjourn.

Mr. STEWART (Edmonton): Support parliament.

Mr. MEIGHEN: Support closure, in order that parliament may adjourn. The Minister of the Interior does not like the expression because it is the truth. Now what position is the government in?

An hon. MEMBER: A good position.

Mr. MEIGHEN: The government is in a good position just as a criminal about to be electrocuted is in a good position when he takes the chair.

Serious charges are to-day levelled against the administration. Serious charges are under review before a committee of this House; serious charges have been levelled across the floor in respect of malfeasance of office by this administration. And while one set of these charges are under review by a committee of parliament this government forces closure in order that the work of that committee may be rendered null and void. This parliament, at the instance of the government, denudes that committee of all power to enforce its decisions; it leaves the committee stranded and helpless without our moral support and at the mercy of witnesses who may defy its will. For this purpose closure is applied. Charges of defiance of parliament have been levelled against the administration supported by indisputable evidence, supported by their own orders in council—a defiance of parliament as illegal, as utterly indefensible, as brazen as anything that any government in any country in the world ever dared to perpetrate. These charges have not even met with a meed of attempted defence at the hands of any member of the government; and while the administration is in that position its leader rises and, without offering any defence whatever, calls upon a majority in this House, composed of his supporters and his allies, to vote parliament into an adjournment while they themselves proceed with the project which they have undertaken by means of these illegal steps and in contempt of the will of this House.

Is this parliament to sit idly by as a mere spectator while the government dips its hands into the treasury and takes out millions for the execution of projects which parliament has never authorized and does not authorize to-day? Is closure to be applied in order that the control of parliament over the treasury of this Dominion shall be ignored and be no longer effective? I want to know where the defenders of parliamentary rights are this afternoon. Where are those who once talked for days and nights about the "rights of parliament," who indeed have so deported themselves in this House that one would be led to believe a government should be not the initiator of legislation but a mere committee to carry out the specified will of parliament as expressed in resolutions? Where are the defenders of parliamentary rights now? Hon. gentlemen to my left have sat by and voted for the administration while the administration, by devious, indefensible, illegal means, has defeated the will of parliament and defied its rights. Does anyone for a moment suggest that this government had any justification in the world for ignoring the parliament of Canada last session and projecting this Dominion into an enterprise in the district of Rouyn to the extent of $5,000,000?

If so, I should like to ask hon. gentlemen to my left, and hon. gentlemen opposite as well, this question: why did we debate in parliament, not through one session but two, projects precisely similar in character though of far less importance because far less in cost? Why did we debate them in this House, compelling them to run the vicissitudes of the House of Commons and the perils of the Senate, if the government could simply have turned their backs upon us and through orders in council, contrived by clever American lawyers, have devised a means of defying the Commons and Senate both?

The only defence in respect of this flagrant disregard of the rights of parliament comes from him who is all the time preaching that politics must not be dragged into the railways, but who seems to believe that the converse is entirely justifiable, that the railways may at his single will be dragged into politics. Is it to be said that because some lawyer is able to devise a scheme whereby parliament may be ignored, whereby a bond issue or a construction contract can be labelled a lease, then a government guilty of yielding to a proposal of that kind is nevertheless entitled not only to the support of this House but to closure in order that its desires may be gratified? Yet such is the position in which this government finds itself this afternoon. Parliament, at its instance, is voting closure for the purpose of an adjournment; closure for the purpose of giving the House a holiday; closure for the purpose of robbing the most important committee which has sat here for twenty years of all power to do its duty; closure for the purpose of shielding the government from attack on charges of defiance of parliament as grave as ever were laid at the door of any administration. For these purposes closure is invoked this afternoon. The majority will of course impose its rude will over the minority. But this government will pay a penalty not only for its tragic record in the past but for its blunder of today.

Mr. ROBERT FORKE (Brandon): I do not intend to occupy the full twenty minutes which has been allotted to hon. members who wish to speak, but I desire to say a few words in regard to the position which the Progressive party holds in this House. We have sat here patiently listening to long, shall I say sometimes tiresome, speeches—I think I may justly describe them thus—and we have heard a great many things said about the Progressives. We have been told what the Progressives have done, what they have not done, and what they are likely to do in the future. I must say that I am astonished whenever I hear the leader of the opposition (Mr. Meighen) speaking of co-operation with the Progressives. How can hon. gentlemen expect any co-operation with the group in this part of the House in view of the language which they have used of hon. members in this corner during the past month? Let them read Hansard for that short time and see the terms which hon. gentlemen to my right have applied to the Progressive members during this debate. I will give you a few samples. I listened last night to a wonderful speech from an erudite member representing a cultured constituency in New Ontario.

Let me quote a few sentences from Hansard which he uttered last night:

> Their refusal or inability to sit in with the Conservatives was due to what I should term their urban complex, meaning by this a more or less morbid pathological mental process resultant mostly from that diffidence, that timidity, that self-complacency, that parsimony, that narrowness, that simplicity, incident to rusticity.

This is terrible, Mr. Speaker! It is the worst that has ever been said about us. But he is young yet; he will learn better after a while. I read in a newspaper that the Minister of Railways (Mr. Dunning) in his youth drove a team of oxen, and was so close to agriculture that he even used language now and again that would certainly not be considered parliamentary by yourself, Sir. I do not know what we may expect from agriculture when we get a minister of railways in his seat who is imbued with "that narrowness and that simplicity incident to rusticity." I am curious to know what large city in his constituency the hon. member comes from. I must confess I do not know very much about that part of the country, but I should be surprised to learn that there are as yet any very large urban centres there. However, this is by the way. I did not intend to refer to it, but I was asked by hon. friends to my right to give quotations of remarks about the Progressives that had been made by representative Conservatives.

Now, what is the situation? The members of this House did not create it; the people of Canada created it. I have heard members on both sides blame the third party for the situation which confronted us at the opening of parliament. I may be wrong, but I make the guess that had there been no third party the situation would not have been any better than it is, because I am inclined to believe that two parties would have been so evenly balanced that it would have been very difficult for either to carry on the business of the country. Hon. gentlemen to my right have

spoken as if they had a majority in this House. They have even said that the government had no right to function. Well, if that is so, which party had the right to take office? That is what I should like to know. Hon. members to my right apparently take it for granted that they have a right to form the government. But they have not a majority of this House. What would have happened had the government been defeated? Could the right hon. leader of the opposition have carried on?

Some hon. MEMBERS: No.

Mr. FORKE: We know perfectly well he could not. He would have had to appeal to the country. Can any member of this House say to-day what would happen if we had a new election?

Some hon. MEMBERS: Yes.

Mr. FORKE: They think they know, but they do not know. I prophesy to my friends from the province of Manitoba that they will never have seven Conservatives from that province within a generation.

Mr. MULLINS: Mr. Speaker—

Some hon. MEMBERS: Sit down.

Mr. FORKE: I know the peculiarities of the hon. member for Marquette (Mr. Mullins). If he will come up to my room after a while I will try to convince him that I am right.

Mr. MEIGHEN: Does the hon. gentleman remember—

Some hon. MEMBERS: Sit down.

Mr. MEIGHEN: Does the hon. gentleman remember—

Some hon. MEMBERS: Order.

Mr. SPEAKER: Order. I understand the hon. member for Brandon (Mr. Forke) allows the question that the right hon. gentleman is trying to put?

Mr. FORKE: Oh, yes.

Mr. MEIGHEN: I am asking the hon. member if he recalls his prophecies in the last parliament?

Mr. FORKE: I admit, Mr. Speaker, that it is very foolish to prophesy. But I am not discouraged. I would turn to hon. gentlemen opposite and prophesy, too, that there are not going to be very many Liberals from Manitoba after the next election. But there are going to be a great many more Progressives. While I am in the prophesying mood I will go a little further: After another election we are going to see this corner of the House filled up with just as many Progressives as were returned to the last parliament.

Some hon. MEMBERS: Oh, oh.

Mr. FORKE: My friends may laugh, but I ask them to remember when that time comes what I am now saying. When we came to this parliament we found no party had a majority in the House of Commons over all other parties. Consequently the first thing we had to do was to find out which party was likely to be able to secure a majority of the members. We voted first of all upon the question: Had the government a right to call parliament together? The government was sustained in that division. The position taken by the Progressives was largely influenced by the legislation we are interested in. We have heard "bribery" mentioned by the right hon. leader of the opposition. He has used that word again and again. It is an ugly word, and I do not like it at all. Bribery has never been practised in this House so far as we are concerned. Can any member on either side of the House assert that I know anything about bribes? I defy any member to make such a statement. A legislative programme has been set forth by the government. Surely we have common sense and good judgment enough, notwithstanding our "rusticity", to understand just exactly what that means. We believe it is a programme in the interests not only of our own constituencies but of the whole Dominion. So why call it "bribery" because we accept that programme? The right hon. leader of the opposition talks about co-operation. I wonder if he would not have been willing at the commencement of the session to co-operate with the Progressives if he could have done so. I would not blame him. It would have been all right on his part and quite honourable. Then why throw innuendoes across the floor at those who have co-operated? Why blame them? I think what was done was perfectly honourable on all sides. We have decided to support the government in their legislative programme, and shall do so until that programme is put through.

Now, we have heard a good deal about the government defying the will of parliament. I say the government has not defied the will of parliament. Parliament can defeat this or any other government any day it likes, and once parliament has made up its mind against the government it can no longer remain in office. Then why all this talk during the past six weeks about the government defying the will of the people? We have heard somewhat similar criticism of the Progressives for the course they have taken this session. I

want to tell hon. gentlemen, no matter on which side of the House they sit, that when they talk in that strain they are not insulting members of the Progressive group, they are insulting the constituencies that sent those members down here. Those constituencies have confidence in the members they elected to this House. I believe that every action we have taken this session is perfectly legitimate and perfectly honourable, and I hope that what we have done will enure to the benefit of the whole Dominion.

Hon. ROBERT ROGERS (South Winnipeg): Mr. Speaker, seldom if ever in the history of parliamentary government in Canada has any parliament been called upon to meet conditions similar to those which have confronted this parliament from the first day of the session down to the present time. These conditions make it abundantly clear that this so-called government has so far not been able to function as a responsible government. Let me say further that this government cannot function as a responsible government in the future, and never can function as a government capable of administering the public affairs of the Dominion of Canada.

Hon. gentlemen opposite two weeks ago realized, probably as no government has ever realized before, the imperative necessity of finding in some form or other a plan which would save them from complete ruin. Of one thing they were certain; of one thing they were sure, that a vote of want of confidence they could not and dare not attempt to face. Something had to be done and that something had to be done quickly. At a given moment all eyes on the other side of the chamber were focussed on the hon. member for Nelson (Mr. Bird), who quickly rose in his place and fulfilled the fondest hope of hon. gentlemen opposite by moving the previous question, thereby extending the stricken, helpless and hopeless condition of hon. gentlemen opposite for two or three weeks longer. I say further that the government, as indicated by their course yesterday and to-day, still feel the strain of their position, and how could it be otherwise? This much comfort they apparently take to-day, that when the motion came before this House last night it synchronized entirely with what is commonly discussed in this parliament as the fifty-day clause, through which indemnities of $4,000 a year have been made safe for hon. gentlemen on the other side of the House.

Some hon. MEMBERS: Order.

Mr. ROGERS: There is nothing out of order. Now, Mr. Speaker, the fifty days were up and we had the motion as presented to-day by my hon. friend who leads the House (Mr. Lapointe). My hon. friend has been talking about obstruction, and I want to say here and now that my right hon. leader (Mr. Meighen) and those around him on this side of the House have never undertaken to obstruct hon. gentlemen opposite. Let me say further that if we had wanted to obstruct it would have been impossible to do so, by reason of the fact that there was nothing before the House to obstruct. Hon. gentlemen opposite could not and dared not bring any measure before this parliament for consideration.

Mr. MACDONALD (Antigonish-Guysborough): How could we do it until the Address was passed?

Mr. ROGERS: Is that all my hon. friend knows of the rules of parliament? Let me point out to my hon. friend what he could do. He certainly is very lacking in knowledge of parliamentary procedure. The day the Address in reply to the Speech from the Throne came to this House, my hon. friend's leader rose in his place and made a motion, as follows:

Hon. Ernest Lapointe (Leader of the House): I move, seconded by Mr. Macdonald (Antigonish-Guysborough)

Seconded by my hon. friend.

—that the Speech of His Excellency the Governor General to both Houses of parliament be taken into consideration on Monday next, and that this order have precedence over all other business of the House except government notices of motion and introduction of bills, until disposd of.

Now Mr. Speaker, hon. gentlemen on this side took no objection to that; we wanted to proceed with the business. There are many motions promised in the Speech from the Throne—government notices of motion—

Mr. MACDONALD (Antigonish-Guysborough): You agreed to that resolution.

Mr. ROGERS: Of course we agreed to it.

Mr. MACDONALD (Antigonish-Guysborough): No other business could come before the House until the Address was disposed of.

Mr. ROGERS: With the exception of government notices of motion. Where was the notice of motion in respect to the Hudson Bay railway? Why was that not brought down for consideration? This House was here for business.

Mr. MACDONALD (Antigonish-Guysborough): We will bring it down.

Mr. ROGERS: Why did the government not bring down a notice of motion in respect to rural credits, which is a very important

matter? Why was not a notice of motion brought down in respect to a commission to be appointed to inquire into Maritime rights, in my hon. friend's own province? Why was that motion not before the House?

Mr. MACDONALD (Antigonish-Guysborough): The notice is on the order paper; let it stay there.

Mr. ROGERS: That is what the hon. gentleman wants; he is afraid to bring it before the House.

Mr. MACDONALD (Antigonish-Guysborough): My hon. friend will see whether we are afraid, when we get this House started.

Mr. ROGERS: My hon. friend acts that way.

Mr. SPEAKER: Order.

Mr. ROGERS: Now, Mr. Speaker, we on this side of the House are quite prepared to deal with private bills and questions. We have now almost a book with 180 questions and fifty or sixty or seventy resolutions, and we on this side of the House are prepared to consent at any time to go on with those matters and get them out of the way. But hon. gentlemen opposite have not, since the opening day, dared to take the opportunity of bringing any measure before this House. That is the trouble with hon. gentlemen opposite; we have been here for nearly two months and not one item of business has been brought down.

My hon. friend the leader of the government spoke about this question of adjourning and he said that we on this side of the House had obstructed by speaking too long on the Address. I would like to know, Mr. Speaker, what else we were to do in order to grasp the opportunity which we had of exposing to the intelligent people of this country the weaknesses and the helplessness of hon. gentlemen opposite. Notwithstanding that, we were prepared at any moment and at any time to take up any business brought before us. The fact that we have been carrying on in addressing this House for some time means no additional expense to the country, whether we continued to expose the conditions which we met here, or whether we were prepared to support an adjournment.

Still more amazing, Mr. Speaker, was the statement of my hon. friend who leads this House to-day in coupling the present closure with the closure brought in by the Conservative party in 1913. I want to point out to this House, and particularly to my hon. friend from Antigonish-Guysborough (Mr. Macdonald)—who I am sorry to see has left the chamber because he needs a little light on some of these important questions—the difference between the situation that existed then and that which confronts us to-day. Some one has argued that the closure measure of a few years ago was the reason why we had a closure motion before parliament to-day. But, Mr. Speaker, to mention the closure of that time in comparison with the closure measure of to-day is nothing short of an insult to the intelligence of the Canadian people. Who is there in Canada that does not know that unpreparedness for war cost Canada untold millions in treasure and many thousands of priceless lives? The Conservative party believed in 1913 that there was danger, and serious danger, and hence our naval proposals were brought before parliament. We were met with the argument that our naval proposals were submitted to the House under false pretences, that we had put in the mouth of His Royal Highness the Governor General assertions that were absolutely unfounded in fact, when we placed in the Speech from the Throne the assertion that a condition of things existed in Great Britain which made it imperative that the naval forces of the empire should at once be strengthened. On this line of argument parliament was kept in session for days and months until the government were finally obliged to bring down a closure measure. Unfortunately for Canada, the Liberal Senate defeated our naval proposals, and for so doing Liberal senators and the Liberal party in Canada received the applause of the enemies of Great Britain and her dominions. I should like to support that statement by an extract from one of the leading papers in Germany, which, dealing with our proposals at that time, said:

> Whatever may be decided upon later, the actual decision of the Canadian Senate means at any rate a heavy moral and material loss for the defence of the empire, for Mr. Borden's promise has been foolishly enough counted on. His offer made an enormous impression on the whole world. Mr. Churchill pointed out this fact, especially in the well-known memorandum of the admiralty. This impression will not only be destroyed, but people will everywhere obtain the conviction that England cannot depend on such help from her colonies. "By rivals and enemies," says the Morning Post to-day, "the decision will be eagerly welcomed. By friends it will be regarded as ominous." The impression must inevitably be created that the solidarity of the empire is a myth, and that those powers which would like to see the overthrow of British naval supremacy need not be discouraged in their efforts by the thought that their challenge would be met by the united resources of the Mother Country and of every one of the daughter states.—

Those were the conditions, Mr. Speaker, under which we brought down our naval proposals to parliament, and in connection with which closure was introduced, and no one

will say that those conditions are at all comparable with the conditions to-day.

Before I conclude, I want to address a word or two to my hon. friend from Brandon (Mr. Forke), who was good enough to speak of conditions in the province of Manitoba, from which I come. I want to tell the hon. member for Brandon that as long as he lives he will never again sit for a constituency in the province of Manitoba in this parliament of Canada. Notwithstanding the combined support that he had in the last election, with the Liberal party united with the so-called Progressive party, his majority under those conditions was rather limited, and it will be entirely wiped out upon the next occasion.

5 p.m.

Let me bring to the attention of the House a statement made by the Prime Minister in respect to his majority in the last House, and I bring this forward simply because it accounts to some extent for the atmosphere that is to be found in certain quarters of this parliament. The Prime Minister is reported as follows:

"If I went out for dinner, my majority of one was gone." When he formed his administration, however, he felt he would get sufficient assistance from the other side of the House to enable him to carry on. There is an indemnity of $4,000 and he thought the Progressives would think twice before they voted against it.

Mr. Speaker, I do not know what the Prime Minister had in his mind when he said that, but he said something more. The question was asked him:

What about the Progressives helping you?

And Mr. King replied:

Let me answer that clearly. When the Progressives take the attitude that they will support us when we do what they want, and we can go to blazes when we do not, you cannot get very far that way. You cannot get anything done in parliament under those conditions.

Now let me read something that my hon. friend from Brandon had to say in respect to the Prime Minister. Speaking in the city of Regina on September 7, 1925, he said:

The Prime Minister Mr. Mackenzie King, is urging the western provinces to send to parliament numerous representatives as members of his party caucus on the ground that that would be the best method of obtaining the necessary changes in government policy. This proposal is an invitation to keep his party in office, and in return to receive such reforms as the party caucus may concede. The irrefutable answer to his plea is written in the record of his party, whose recurring failures to redeem his election promises and to implement his political platforms are matters of public record.

Just one more reference, and this is a statement made by the Right Hon. Mr. Mackenzie King, who, speaking at Moose Jaw on September 30, said:

The Progressives had an opportunity to elect a government in 1921, but in 1925 they had no such chance. Consequently there was no reason for waste of votes on them. Why waste time and effort on a party that can't form an administration? Mr. Crerar admitted the Progressives could be only a sectional party. Other leaders were abandoning them. The light of Mr. Forke was the flickering torch of Liberalism. All the influence he wielded came from association with other parties in the House of Commons.

Mr. Speaker, the flickering light of the torch of the hon. member for Brandon has grown strong in the interests of the Liberal party in this parliament. He is as certain to vote Liberal as my hon. friend from Antigonish-Guysborough; he is quite as safe, quite as sure; he always has been, and always will be. But that is his business, and not ours. I simply want this parliament to know the facts and to understand the conditions. The information may be helpful to hon. gentlemen opposite, and I hope they will take full advantage of it.

I am told my time is up. In conclusion, let me assure you, Mr. Speaker, that the time is not far distant when we shall find hon. gentlemen opposite in the position to which they were relegated by the electors of this Dominion on the 29th of October last.

Hon. CHARLES STEWART (Minister of the Interior): Mr. Speaker, twenty minutes is not a very long period in which to make a defence, if defence were needed—and I do not think any defence is required—of the action of the government in calling parliament and the steps it has taken since that date. One could not help being interested in the debate that was being carried on in this House although a great deal of it consisted of severe criticism of the government of to-day, criticism that was unwarranted, in my opinion, and that at times descended to what I would call back-door or back-yard discussion, rather than that of gentlemen in this House of Commons. Let me rehearse very briefly why parliament was summoned. The leader of the House (Mr. Lapointe) gave us a resumé this afternoon of the reasons for convening parliament. It was convened for one primary purpose that the opposition have consistently, in and out of season, ignored, and that was to establish whether or not the opposition or the government who are now in office were to carry on the business of the country. The acting leader of the government enumerated this afternoon the various steps that were taken. The newspapers of the country made very clear to the members who were assembling the purpose for which they were coming, and hon. gentlemen opposite acquiesced to a very large extent in the arrangement that was made for the purpose of estab-

lishing what should be done in a critical situation such as this. But there is one thing that the oppostion have not learned and that I doubt they ever will learn, namely, that there are changing conditions in this Canada of ours and that those new conditions must be met. They fail to realize that those conditions have arrived already.

What is the situation? We, of course, in order to carry out the traditions of parliament had to bring down the Speech from the Throne, and an opportunity was given to hon. gentlemen to discuss it. A motion was placed on the order paper for the purpose of ascertaining whether or not parliament would vote a recess to enable the government to carry on the by-elections necessary to fill vacancies in the cabinet. What has happened since then? Notwithstanding the fact that hon. gentlemen opposite desisted from discussing the Speech from the Throne and sat silent for three days accusing the government of the day of obstruction, they saw fit to thwart the expressed will of parliament when it voted and carried by a majority the motion for the adjournment of this House until the 15th March. By no process of reasoning, by no camouflage, can they make members of the House or the people of the country believe that from that date to the present they have not been obstructing the clear will of parliament. I am satisfied, after watching affairs very closely, that is exactly the position in which the opposition find themselves to-day. There is no doubt they have made it difficult for the government to fill up the treasury benches; but this government will fill the treasury benches, will be ready on the 15th of this month, and will bring down its programme of legislation. This government will from time to time fill up the treasury benches and it will carry on the affairs of this country so long as it has a majority in this House.

The right hon. leader of the opposition (Mr. Meighen) has complained that the committee that are investigating the customs charges cannot function. The government are not preventing that committee from functioning; the members are perfectly willing to sit, and only for eight days will there be any break if there is a break at all in the investigation that is going on. The government are anxious and willing for this investigation to go on and have nothing to hide in connection with it. If there are guilty people who happen to be attached to the civil service of this country or in the government, let them be punished. This government will move neither hand nor foot to prevent a full and complete investigation. We welcome it and we hope hon. gentlemen opposite are as anxious and ready to welcome this investigation as the government of to-day are.

The leader of the opposition also challenges us in respect of the Rouyn railway. What is wrong with the process that brought about the construction of that railway? He knows perfectly well when he challenges us, as other hon. gentlemen know, that except under the authority of a vote of parliament we cannot construct railways in the western provinces because the act does not permit that. The act specifies only that the government of the day have authority to proceed in Quebec and the Maritime provinces with respect to railways.

Mr. MEIGHEN: What about the Lockeport line and the Guysborough line?

Mr. STEWART (Edmonton): I have not time to deal with them but there are a few things I want to say about the Rouyn railway. If my right hon. friend wants to investigate the Rouyn railway ample opportunity will be given him to investigate every phase of it to the utmost extremity. He knows quite well that it is his privilege to investigate that or any other railway. There is a committee of the House for that purpose.

Mr. MEIGHEN: How can this House—

Mr. STEWART (Edmonton): I have only twenty minutes.

Mr. MEIGHEN: Will the hon. member not permit a question?

Mr. STEWART (Edmonton): I will not. I have only twenty minutes to speak and I have a number of things to say to my right hon. friend.

Mr. MEIGHEN: It will not do any good.

Mr. STEWART (Edmonton): Perhaps it will do some good before I get through. As this railway transaction has been challenged by some of the most eminent members of the legal profession in this House, I have gone to some trouble to ascertain whether anything illegal has been done in connection with it, and I am free to say to hon. gentlemen that not a single thing illegal has been done and, further, that we shall welcome the fullest kind of investigation. The hon. member for East Algoma (Mr. Nicholson) challenged the contract by saying that an arrangement had been entered into with the Noranda mines that they had never been called upon to fulfil. I have not time to go into that. He also challenged the fact that 30 per cent of the proceeds of the railway line were to be applied to the Rouyn railway. There is nothing unusual in that. The arrangement in respect to

the Quebec and St. John railway is on the basis of from 40 to 60 per cent and the arrangement with respect to the Vermont Central and the old Grand Trunk is on a basis of 40 to 60 per cent. Therefore if anything is wrong with this it is to the credit of the negotiators who carried through the deal. Very little has been said about the contract in connection with that railway. Seven or eight contractors bid on unit prices and the contract was let to the lowest bidder. I should like to have time to go into this railway question to-day because the contract is manifestly fair to the people of this country and the Canadian National Railways who will profit by the arrangement that has been made. Moreover, the Quebec government is putting up a guarantee of $250,000 which will be paid at the rate of $50,000 a year for five years. No, Mr. Speaker, there is nothing wrong with the Rouyn railway in any particular. The whole transaction was carried out legally for the purpose of reserving to the Canadian National railway business that was rightfully theirs rather than diverting it from that railway to competing lines which are not entitled to that business.

It is rather a strange coincidence that the Canadian National Railways should be the institution that is constantly being picked out by hon. gentlemen opposite for criticism. Why? Are they not satisfied with public ownership? Are they not satisfied with the administration of Sir Henry Thornton? I can point to the press of the country that supports them which is entirely satisfied with Sir Henry Thornton and his management. Something was said the other day with respect to his administration in connection with building golf links and installing radios in passenger cars on trains running across the country. That railway is progressing; it is making headway. Let it be to the eternal credit of this government that they were able to discover a man of the calibre of Sir Henry Thornton who has done away with the deficits, to say nothing of meeting the fixed charges, until to-day he is in the proud position of having a balance of $32,000,000 over and above his operating expenses, and points with pride to a period not less than three years away when this country will be able to say that the National Railways have reached a point where they are able to pay their way and have become a great asset to the people of Canada. Continual carping and criticism of the Canadian National Railways, the first venture in public ownership of people of Canada and one that we all devoutly hope will be a splendid success, comes with poor grace from hon. gentlemen opposite.

Many things have been said in criticism of this government. Why, hon. gentlemen have been talking about their campaigns, the addresses they gave to the electors, and the Lord knows what. I do not wonder that some of the electors were bewildered and befuddled, if hon. members gave them the kind of addresses we have heard delivered in this House during the last four weeks. The Creator has been called upon to witness all the rascality and impotency that these hon. gentlemen have attributed to this government. The hon. member for Fort William (Mr. Manion) has called this a ramshackle government. I want to point out a few of the things we have been able to do, and one of the things we are particularly proud of is the success of the Canadian National Railways. Then the right hon. leader of the opposition and his associates have been going up and down the country claiming that this government have made no reduction in taxation. I challenge the leader of the opposition, and I challenge hon. gentlemen opposite to deny that within the last four years we have reduced taxation by $112,000,000.

Mr. MEIGHEN: No, no.

Mr. STEWART (Edmonton): Yes, we have, Mr. Speaker. I challenge hon. gentlemen to deny it. Do you ever hear them speak about it?

Mr. MEIGHEN: Am I challenged? The minister said he challenged me.

Mr. STEWART (Edmonton): The hon. member will have his chance.

Mr. MEIGHEN: No, I will not.

Mr. STEWART (Edmonton): I make that statement and I make it advisedly, and I will go further. Statements have been made about the reduction of the debt of the United States. I say that per capita the government of Canada have been able to reduce the taxation of the country to a greater extent than has even the far-famed President Coolidge.

Mr. LADNER: Where are the reductions?

Mr. STEWART (Edmonton): My hon. friend asks: where are the reductions? I shall be glad to give him details of the reductions when the time comes in connection with the budget.

Mr. LADNER: The income tax?

Mr. STEWART (Edmonton): I quite understand that hon. gentlemen opposite do not like these statements.

Mr. RYCKMAN: Because they are not true. That is the reason we don't like them.

Mr. STEWART (Edmonton): Because they are not true?

Mr. MEIGHEN: Hear, hear.

Mr. STEWART (Edmonton): I will be glad to prove my statements to the satisfaction of my hon. friend, though that will be a pretty hard job, I admit. I will tell my hon. friend something more. The total disbursements per capita in Canada show a steady decline. They are as follows:

	Per head
1922..	$51 85
1923..	47 86
1924..	40 16
1925..	37 53

Is not that a reduction?

Mr. MEIGHEN: What about the railway debt?

Mr. STEWART (Edmonton): My hon. friend is always anxious to drag in the railway. The railway debt, as he knows, has been segregated by the government and kept in a separate item.

Mr. MEIGHEN: Hear, hear.

Mr. STEWART (Edmonton): And he will drag it in and compare it with a period when we were not operating the railways at all.

Mr. MEIGHEN: Oh, no.

Mr. STEWART (Edmonton): Absolutely, I have heard him, and have read his speeches.

Mr. MEIGHEN: Never.

Mr. STEWART (Edmonton): Let me give the House one or two figures with respect to this matter.

We have heard a great deal about Australia, and what it costs for government there, and how much they have reduced the cost in Great Britain and in the United States. I think the people are entitled to know where we stand in that respect and what the total taxes in the country are. My hon. friend leading the opposition to-day gave the figures as of a year ago, and I propose to give them as of to-day and I propose from this time on to repeat this statement, because hon. gentlemen opposite never think of these figures, pass them up if they can, and give us fictitious figures instead. The figures are as follows:

	Taxes			
	Canada	Australia	Great Britain	United States
Federal	37.62	42.26	79.00	29.22
Provincial ..	5.16	15.86	....	8.51
Municipal ..	23.33	11.56	18.12	29.66
Totals.. ..	66.11	69.68	97.12	67.39

I commend these figures to the consideration of hon. members opposite and ask them to check them carefully; if they do they will find them correct.

Mr. MEIGHEN: No, they are not correct.

Mr. STEWART (Edmonton): What else has the government done? Have you ever heard any members of the opposition telling you how the Canadian dollar had risen in value since the government came into office? Not very often.

Mr. MEIGHEN: What about the Brazilian dollar?

Mr. STEWART (Edmonton): The Brazilian dollar has nothing to do with it. I am talking about the Canadian dollar. May I refer to the trade returns? Hon. members boast very much about the trade returns, and they boasted about the trade returns during the war period. The war is over and in the balance of trade Canada in 1921 was $29,000,000 to the bad, as were the Canadian National Railways, under the leadership of the hon. gentleman who sits opposite. What are they to-day? In 1922, we had $6,000,000 on the right side of the ledger. In 1923, we had $142,000,000 in our favour, in 1924, $165,000,000 in our favour, and in 1925 we had $392,831,447 in our favour.

Mr. MEIGHEN: What about 1920?

Mr. STEWART (Edmonton): There was a fair balance in that year.

Mr. MEIGHEN: Bigger than ever my hon. friend had.

Mr. STEWART (Edmonton): Yes, for the simple reason, as my hon. friends know, it was the end of the war period and there was need of a great deal of shipping for reconstruction in France and elsewhere. My hon. friend will not deny it. If he were the leader of the government to-day how proudly he would point to those figures. He would make the very roof ring with exultation at what his government had been able to do. How delighted he would be to exhibit a record such as this, because he cannot show it in any government he ever had the honour to lead. Some hon. member on the other side of the House, I think one of the members for Ottawa, was depicting the terrible straits to which the government had reduced the country by the treaties it had negotiated. It is not necessary to discuss the Australian treaty and all the dire things the hon. member for South Oxford (Mr. Sutherland) said about it. He declared we should have a brick for brick tariff on agricultural products. I would advise the hon. gentleman to examine the figures. His tariff, he thinks, would suit us admirably and would

bring back all the people who have gone from Canada to the United States, but I would point out that with four exceptions there are heavier duties on agricultural products coming into Canada than on those going into the United States.

Mr. MEIGHEN: What are they for?

Mr. STEWART (Edmonton): I will give them. I commend that statement to my hon. friend's attention. If he looks up the tariff he will find that the tariff on onions is higher, and that the tariff on butter and eggs is also higher. We have the single exception of wheat which does not count at all. Some hon. gentleman said the other night that we imported flour—the idea of a country like Canada importing flour! Of course, we do; very small quantities, it is true, but we import almost every commodity into Canada.

I will not go into the details of the Australian treaty, but I might tell my hon. friend, notwithstanding the statement he made the other day that the treaty would have a disastrous effect on butter as marketed by the farmers to-day, that in the city of Ottawa butter is dearer at the present time than it has ever been since 1920, and my hon. friend was in office at that time. The member for South Oxford tells us that there are millions of pounds of butter coming from New Zealand and Australia and that some cheese has arrived in his constituency, but apparently it has not depressed the price of our own product.

We are warranted in taking the position we do with respect to closure on this occasion. We are warranted in sustaining parliament when parliament decided by a majority vote in this House that a certain procedure should be taken. That is our answer to the hon. member for South Winnipeg (Mr. Rogers) and the leader of the opposition (Mr. Meighen) as to why at this moment closure is applied. It is applied because they and their followers have been attempting to defy the will of parliament clearly expressed.

Hon. R. J. MANION (Fort William): As I have barely twenty minutes in which to address the House I shall not endeavour to cover completely the speech of the Minister of the Interior (Mr. Stewart), but there are a couple of points in that speech to which I should like to refer for a moment if I may.

In the first place the minister, in regard to the Rouyn railway, suggested that we could investigate the matter in this House or in a committee of the House. I submit however that as this railway was incorporated as a private concern in the province of Quebec we can do nothing of the sort. A fact that has often struck me is this, that invariably in this House, the shadier the deal the more certain is it that my hon. friend will be put up to defend it. As I said last year, the hon. gentleman looks more respectable than anyone could possibly be in real life; he fairly oozes respectability. Whenever therefore there is a shady deal of any kind to be defended he is always put up on his feet to defend it.

I want to touch one other point mentioned by the minister, and that is in regard to taxation. He said that this government had reduced taxation to a considerable extent. Well, in the first place it has not done so; but even if it had reduced taxation it has cut down business ten times more than it has effected such reduction.

Sir, we have had in the last few hours the amazing and amusing spectacle of the Minister of Justice (Mr. Lapointe), who has been described by his admirers and his followers as the tribune of the people, the apostle of Liberalism, the defender of free speech, rising in his place and clamping closure on the debate which has been going on, notwithstanding that this procedure has been condemned not only by him, as my right hon. leader (Mr. Meighen) has pointed out, but by most hon. gentlemen opposite, as an infamous gag, an instrument of autocracy, gag law, and generally as the quintessence of Tory autocracy. Yet, as I watched the vote being taken, the only hon. gentleman who had the decency to blush, as supporters of the government one after another swallowed themselves once more, was my hon. friend the Solicitor General (Mr. Cannon), a gentleman who probably blushes as little as any hon. member in this House.

This act of closure is, Mr. Speaker, the culminating act of a series of humiliating retractions, of flagrant violations of promises, and of a wholesale swallowing of so-called Liberal principles on the part of hon. gentlemen opposite. I remember that as a boy I once went to a circus where I saw the performance of a sword swallower, but the ability of that man to swallow swords was nothing compared to the ability of this government to swallow its principles and its promises. The government has long since cast aside practically every one of its professed principles, just as it has broken all its promises; and now this last flimsy principle among all the principles of Liberalism, namely, the principle of free speech, of which hon. gentlemen opposite have spoken so much, the government has sacrificed on the same altar

at which they are all worshipping to-day, the altar of power at any price, even the price of Canada itself.

We have had for four years the spectacle of a government recanting all its promises and its principles. Let me mention a few of these recantations. The tariff plank of 1919 is burned; Senate reform, of which hon. gentlemen opposite have spoken so much from one end of Canada to the other, is forgotten; national economy, of which they have made a great boast, has been replaced by the political pork barrel; trusts, combines and mergers, of which Mr. Mackenzie King and Mr. Murdock talked so much, are merely given a new title,—they are now called monopolies by land and sea; the cost of living, over which Mr. Mackenzie King has literally fumed for the past seven or eight years, has gone up instead of down; free speech is now wiped out by closure; and national unity is eliminated, sacrificed on the same altar. Why, speaking of national unity, it seems to me almost a sacrilege for some of my hon. friends opposite, although by no means all of them, to use this phrase at all after the very wicked and vile methods which were adopted in the province of Quebec by some of them in the last election, methods which showed that they were more anxious to defeat my right hon. leader than they were to advocate such policies and defend such principles as they knew were vital to the prosperity of the people of that province. And the result of these various recantations to which I have alluded has been that we have had serious business depression in this country, marked unemployment, and an appalling exodus of our population such as we have never before experienced in the history of Canada. So much are these facts recognized by the people of the Dominion that on October 29 the government was overwhelmingly defeated, the Prime Minister and eight of his ministers being completely rejected. The Liberal party had 200,000 votes less than this party, and to-day in this House they have fifteen members fewer than we have on this side. At the present time four provinces in this great Dominion are without representation in the cabinet, and we have the humiliating spectacle of the province of Ontario, the greatest province in Canada both in point of wealth and in the matter of population, without a single minister in the government, while the little province of Saskatchewan has a representation of three. Yet the Minister of Justice declared a few minutes ago that we were obstructing parliament. Why, Mr. Speaker, the government has been guilty of a far more serious obstruction than the obstruction of parliament, even if that charge were true in respect of this party: the government has obstructed the will of the people. That is what my hon. friends opposite have done. We have obstructed, it is true, but we have obstructed not any business of parliament—there has been no business before parliament to be obstructed—but the efforts of the government to vote itself a holiday.

What was the reply of the people on October 29 to the Speech which had been delivered by the Right Hon. Mr. Mackenzie King at Richmond Hill, in which, for a few brief moments, he played the part of a sportsman, when he declared that he would not come back to parliament and attempt to carry on unless he was in a better position from a parliamentary standpoint than he had been in the past to implement the promises he had made the country? What was the reply of the people to that speech? Their reply was to wipe out altogether not only the Prime Minister himself but his ministers in the province of Ontario and in various other parts of the country as well. Yet to-day, in face of this unequivocal verdict of the people on October 29, Mr. Mackenzie King says that he is going to carry through a great deal of legislation forecast in the Speech from the Throne,—a Speech which, by the way, ought never to have been introduced at all if the government had been really sincere in its announcement that parliament would meet merely for the purpose of ascertaining what party should govern.

Mr. Mackenzie King had in the last parliament, between 1921 and 1925, 80 per cent of the members of the House of Commons, including the sixty-five Progressives who voted in support of the government on every vital occasion. What is the situation to-day? To-day he has, including the three or four groups outside the Conservatives, only 53 per cent of the membership. And yet, although in the last parliament, with such support as I have indicated, he found it impossible to go on with the Hudson Bay railway, to give Alberta her resources, to bring in rural credits, to enact the single transferable vote, or to carry out one single promise of all the multitude of promises he had made to every section of the country, to-day he declares his intention of undertaking all or most of these things. If he could not fulfil any of these promises or institute any of these policies with 80 per cent of the membership of this House, how on earth is he going to do so with 53 per cent of the members? If he could not carry on with majorities ranging from 77 to 116 between 1921 and 1925, figures which I

have taken the trouble to verify, how will he carry on with majorities of from 1 to 10 as they have had this session? That very fact, Mr. Speaker, that his majorities to-day range between 1 and 10, is the most outstanding proof that we were absolutely right in saying that he and his party were indisputably defeated in the country on October 29.

The present situation would be a laughable and hilarious farce were it not so tragical from the standpoint of the people of this Dominion. Notwithstanding all this, however, the hon. member for Brandon gets up in this House and votes for closure in order to keep this ragged remnant of a government in power, this alleged government which since coming into office has broken every promise it ever made to western Canada itself. My hon. friend (Mr. Forke) is apparently still willing and happy to accept that same useless coin, that same gold brick which he got from Mr. Mackenzie King in the past. In other words, Sir, his political partisanship is so strong that he prefers to see Mr. Mackenzie King in power rather than see the policies carried out which he stands for in the west. His independence, Mr. Speaker, is only a mask, and everybody knows it is only a mask, just as they know that Mr. Mackenzie King has been the greatest failure as a political leader that this country has ever produced; just as they know that he has been the greatest master of political dodgery in the history of the Dominion, so much so that to-day, instead of being spoken of in many circles as the leader of the Liberal party, he is spoken of as its misleader.

Now, what are the purposes of this closure motion that the hon. member for Brandon so loyally supported a little while ago. It is true we put on closure in the past on important questions such as the naval policy of the Dominion, the Canadian Northern railway purchase, and the railway incorporation. But those were all important questions. What are the purposes, I ask again, of this closure motion? They were mentioned by my leader, but I shall enumerate them again. The first is a desire for a holiday—that the members of this government may go home and laugh in peace and quiet at the country which they are betraying instead of serving. The other purpose is to close up the customs investigation, which of course will help all the lawbreakers, the smugglers, the thugs and the thieves to join them in their laugh at the expense of the people. And yet my hon. friend from Brandon stands up and trails along behind them with a large portion of his group. By his attitude he aids and abets those purposes, in fact, to use a term current among lawyers, he is an accomplice before the fact in this case.

We also are tired of the debate; we are tired of the way in which things have been dragging along while we have been trying to spur this government into action, but we felt it a duty we owed to the committee appointed by this House to keep members sitting here in order that we might at least give them moral support in their investigation of the charges made by the hon. member for Vancouver Centre (Mr. Stevens) who is endeavouring honourably and honestly to save tens of millions of dollars that the people are now being robbed of by those who are breaking our customs laws.

I well remember, Sir, a book I read many years ago by Victor Hugo, in which he describes a man whose cheeks when a boy had been slit by some human monster so that the poor fellow appeared always to be grinning from ear to ear, and he was exhibited throughout Europe as the "laughing man." Well, to my mind this is nothing more than a laughing government. We have had the House sitting for almost two months with the members on this side, as my hon. friend the Minister of the Interior said, telling the government their faults and their failures in every accent from every section of the country. What have we had in reply? Nothing but laughter. Certainly no defence because there is none; our accusations are true. This attitude of laughing instead of acting is in keeping with the whole record of the government for the past four years or more. Why do I say that, Mr. Speaker? Because they have laughed at everything worth while that has been proposed. They laughed first at the promises of Mr. Mackenzie King, their own leader—they laughed at the platform of 1919; then they laughed at the people for allowing themselves to be duped by that platform and the promises of Mr. Mackenzie King; they laughed at the appalling unemployment of our Canadian working people; they laughed at the appalling exodus of our Canadian-born; they laughed at a real Canadian policy of "Canada for Canadians" which we tried to persuade them to adopt; they laughed at our proposal to inaugurate a national fuel policy—to use Canadian coal on Canadian railways, and Canadian coal in Canadian homes; they laughed at our policy of using Canadian-made products rather than imported goods; they laughed at all our great national problems instead of trying to solve them; and finally, Mr. Speaker, they have been laughing at the people of Canada ever since October 29, when the electorate

gave a verdict against them, which verdict they have been ever since ignoring instead of accepting.

An hon. MEMBER: We are laughing at you.

Mr. SPEAKER: Order.

Mr. MANION: I do not know the concealed gentleman who says he is laughing at me.

Mr. SPEAKER: Order. Interruptions from outside the House are not allowed.

Mr. MANION: I agree with you, Mr. Speaker; interruptions from behind a curtain are the "courageous" remarks that some type of men like to make. Now, in their laughter at all the various propositions that have been put before them and which I have just enumerated, the government will be joined by all the thieves and thugs and smugglers who will thus get a respite, because the Customs committee cannot function properly unless the House is sitting. They are going to get a temporary or permanent respite because, I repeat, the Customs committee cannot deal effectively with any recalcitrant witnesses unless they have at least the moral support of the House.

But I want to remind the government of the old saying—those who laugh last laugh best. And the people are going to have a last laugh, because ultimately they are going to rid themselves for all time of this odious government; they are going to send Mr. Mackenzie King and the member for Brandon—as mentioned by the hon. member for South Winnipeg (Mr. Rogers) a moment ago—and a number of their friends to that place where weeping and wailing and gnashing of teeth prevails instead of laughter. Sir, at one time in the English House of Commons a leader was impeached if he took a vicious or disloyal attitude that was detrimental to the country, which he was supposed to serve. I think the last impeachment took place about a hundred and fifty years ago. It seems to me it is quite possible we may have to re-establish that old practice in Canada, should it be the only way open to us to get rid of a Prime Minister whose mind is impervious to any realization of defeat and whose character is impervious to any appreciation of fair play and sportsmanship—a man who is so impervious to this quality that he is to-day retaining the reins of power long after the people have shown him that they recognize the failure he is, long after they have shown him that they no longer retain any confidence in him.

Closure at this time and under these circumstances, Mr. Speaker, simply adds another to the long list of charges against this make-

shift of a government, and it is going to be only another reason why the people will amply revenge themselves when the time comes against an administration which has been such a failure in grappling with the great national questions that urgently demand attention. Mr. King and some of his political accomplices will be sent to the political wilderness directly the people get an opportunity. That opportunity will come shortly, and when it does come, the people will correct the error they made during the last election under the impression that the province of Quebec was voting on the issues of the day.

Mr. MACDONALD (Antigonish-Guysborough): You have your chance out in Regina.

Mr. MANION: I will probably be out there myself before long to help my party. I hope so. The people will try to correct the error they made in thinking the province of Quebec was voting on the issues of the day instead of against an old conscription law that has long been obsolete, and against an imaginary Turkish war. My hon. friend speaks of Regina. Well, I notice that the Prime Minister goes to Prince Albert; he does not dare open a constituency nearer home. This great province of Ontario, as large in area and as important in population and resources as any other three, or probably four, provinces, with the exception of the province of Quebec, is to-day in the disgraceful position, from the standpoint of the government, of having no representative in the cabinet. The Prime Minister goes to Saskatchewan to get a seat, but he did not dare open any in the province of Ontario. When the next election comes, no matter what happens in the province of Quebec—and what I have said of that great province is not in derogation of it, for I have the greatest respect for its people, but I have little respect for some of the Liberal leaders who have misled them—I say, that in the next election, no matter what way the people of Quebec vote, their fellow-citizens throughout the rest of the Dominion are going to raise up such a hurricane of indignation against this government as will sweep out Mr. Mackenzie King, the member for Brandon and his other supporters and sweep into power the Liberal-Conservative party.

Some hon. MEMBERS: Oh, oh.

Mr. MANION: I hear one of my hon friends laughing somewhat loudly at that. I do not wish to be offensive, but there was a poet some time ago who referred to "The loud laugh that spoke the vacant mind." I say that, I repeat, with no desire to be offen-

sive in any way. I repeat that the electors are going to put into power the Liberal-Conservative party, standing for a stable tariff policy for all the people of this country; for a sane, economical railway policy; for a lower taxation policy and for a progressive immigration policy in Canada. Those policies are the foundation stones upon which the greatness of Canada must be built, and they must be held together by the cement of fair dealing between the different sections of Canada. The country knows that this government will not put those policies into effect; the country knows also that those policies are absolutely necessary. With the exception of the government itself, everyone knows that this is what we must have in order that we may join up with those advancing, progressive and prosperous nations in other parts of the world.

Mr. A. L. BEAUBIEN (Provencher): In rising to make a few remarks on this occasion, Mr. Speaker, I do so with the view of justifying my actions in this House during this session of parliament.

An hon. MEMBER: It cannot be done.

Mr. BEAUBIEN: Possibly not in the eyes of some people, but it can in the eyes of the electors whom I have the honour to represent. I am not concerned with what the Liberals said against or in favour of the closure; I am concerned with the conditions as they exist to-day, and I say that if the electors of this country are going to be subjected to obstruction in this House for weeks and weeks, consisting largely of reiteration of what happened during the campaign, of what the political leaders said or did not say during the campaign, or what they said that they should not have said, I am afraid the electors will lose confidence in our parliamentary institutions.

What is the duty of a member? The first duty of a member is to his electors, in my opinion. When we came down here no party had an absolute majority over the others, and we had to consider what course we should follow; we had to form a plan of action in order to be true to the principles upon which we were elected. I will tell you, Mr. Speaker, the principles upon which I was elected. I was elected to come down here to force the two parties which have existed since confederation to put their promises into effect. I happened to be in Montreal two or three weeks ago, and while there a man said to me, "What do you wild westerners want?" To which I replied: "We want what both political parties have been promising us for the last twenty-five years." Is it too much to expect? That is what I ask. The Hudson Bay railway; rural credits; the return of their natural resources to the western provinces—those are all in the Speech from the Throne, and those are the promises made by both political parties for years, on public platforms, in this House and everywhere else.

We came down here and the government presented His Excellency's Speech. The return of the natural resources to Alberta was mentioned in that Speech; the completion of the Hudson Bay railway was mentioned, as well as the question of rural credits. What is left for us to do? I am not partial; I am not here to defend the Liberal party or praise the Conservative party; I am here to defend my actions and I can defend them before my electors.

What was there to do? The Speech from the Throne was drafted by the government, because it was presented by the government. The Speech from the Throne was acceptable to the Progressives and they voted against the amendment of the right hon. leader of the opposition (Mr. Meighen). The Independent members also accepted the Speech from the Throne in voting against that amendment. The right hon. leader of the opposition accepted the Speech from the Throne, because in moving his amendment he used the words "that the following be added," and my understanding is that when you add anything you accept what is already there. My knowledge of English may be limited, but that is my understanding of the word "add" and I do not think anyone who understands the English language can take any other meaning from it. Then, if the government accepts the Speech from the Throne; if we accept it and the leader of the opposition accepts it, what is there for us to do? Have we done anything wrong? Where is the bribe? I have not seen any bribe, and I do not know of any. I have acted according to my conscience and according to the expressed desire of my electors. That has been my only ambition in this House and will be my only ambition as long as I have the honour to represent a constituency in this parliament.

Now, Mr. Speaker, I said some two years ago, and I repeated it in this present parliament, that the speeches should be curtailed to the shortest possible time. I am rather glad to see this closure; I would like to see closure applied quite often when there is obstruction, and I think the government would be justified—if they are going to be a government—in showing some backbone and saying, "We are here with certain measures which we have mentioned in the Speech from the

Throne, and the moment obstruction looms up we are going to put on the closure." That is the stand I would take, whether the right hon. leader of the opposition headed the government, or whether the present government remained in power. The people expect results, and not wind; three, four and five hour speeches are going to cause people to be disgusted with the members of parliament and with our parliamentary institutions.

Now, Mr. Speaker, there is just one remark the hon. member for Rainy River made which I think he will correct at the first opportunity. He said that the Progressives voted with the government during the last parliament and during the last session. I want to be fair, and I am sure that if the hon. member will look up the records he will find that he and his party voted with the Liberals to defeat the Progressives oftener than we voted with the Liberals.

Mr. MANION: Will my hon. friend permit me an interruption? The hon. gentleman forgets that I said "on all vital matters." And may I add, just in a word, on all matters where there was any doubt of the government carrying the vote.

Mr. BEAUBIEN: I will leave it at that, and I say again that the Conservatives voted oftener with the Liberals than the Progressives did. I mention this because I am sure the hon. member for Rainy River wants to be fair, as he is always fair.

Mr. HEENAN: Will the hon. member permit an interruption? The hon. member designates the hon. member for Fort William (Mr. Manion) as the member for Rainy River, and the hon. member for Fort William evidently desires to be the member for Rainy River, and accepts that designation. I would just like to correct that error.

Mr. BEAUBIEN: I am very glad of the correction.

Mr. MANION: I beg the hon. gentleman's pardon.

Mr. BEAUBIEN: I am sorry. The hon. member (Mr. Manion) represented Rainy River last year, which was the reason for my error. It is a good thing to change a constituency sometimes.

Now Mr. Speaker, I do not want to delay the House any longer. In closing I appeal to the government and to every member of this House: when the House meets again on March 15, let us have a programme.

Some hon. MEMBERS: Hear, hear.

Mr. BEAUBIEN: I mean a programme of legislation; let the government present the legislation. I may make a slip in the use of a word once in a while; I did not mean that exactly. It does a man good, Mr. Speaker, to see the opposition laugh, because they have been so solemn the last few days that one would think they had a funeral on hand. In fact, the Manitoba Free Press stated that the committee of strategy of the Conservative party was in distress. I wonder if the Minister of Marine and Fisheries (Mr. Cardin) has received an S.O.S. call from them, and whether he has sent relief?

Let us forget our political strife. Let us try to work in harmony, because it is the only way we can get anywhere. If hon. members are going to rehash that old political stuff across the floor of this House, the country is going to suffer, and the members who are here are going to suffer at the next election.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Hon. E. M. MACDONALD (Minister of National Defence): Mr. Speaker, I do not propose to occupy very much of the time of the House in discussing whether or not the closure rule should be applied at this stage of the debate. I am sure every hon. member realizes that the debate on the Address has already occupied an unprecedented time; that every subject possible has been brought to the attention of the House by hon. members who have spoken, and that there is no justification or reason why the House should be further delayed from proceeding at the proper time to take into consideration the government programme and to have it crystallized into legislation.

Hon. gentlemen who spoke this afternoon said that this resolution should not be adopted, first, because it only meant that there was going to be a holiday. It will not be any holiday for the government; we expect that every day between now and the fifteenth instant will be taken up in serious consideration, in meetings of council, of the legislation which we propose to submit immediately after parliament resumes its sittings. That legislation which is stated in the Speech from the Throne will be made ready at the earliest possible day for the consideration of the House.

It has been suggested that the committee which has been working so steadily will have its operations interrupted. I have had a long

experience in connection with investigating and other committees and such a suggestion is purely imaginary. If the committee continues to sit as it has been doing during the past weeks, there will be seven days on which it will sit between now and the 15th of March. Up to the present there has been no refusal on the part of any witness to answer questions put by the committee and there is no indication of any such disposition on the part of any witness who has been summoned. My hon. friends know very well that in accordance with the practice that has existed for all time in parliament, the plenary power of parliament to deal with persons who refuse to answer questions extends to detention only during the sitting of the House, so that this theory that the committee is to be hampered in any way is a delusion and a figment of the imagination put forward solely to formulate some excuse for further delaying the business of this country.

My right hon. friend is worried because we have applied to him and his colleagues a weapon which he placed in the rules of the House. Why should we not do so? In 1913 that rule was placed there in the form of an amendment to the rules by my right hon. friend in the midst of a debate on a certain subject. That amendment to the rules was not made after full consideration of the rules at the proper time, but the government of the day, intervening in the debate which was before the House, framed the rule and had it passed by the majority at that time. It is an accepted situation not only in Canada but in every English-speaking parliamentary body that where obstruction exists or appears in the form in which it appears in this House, that rule should be invoked in the public interest in order that the business of the country may be carried on.

I turn my attention to a matter which has been discussed frequently by my colleagues from the Maritime provinces; and for various reasons I want to refer to that question as it has been presented by some of my hon. friends. The matter first came to the attention of the House when the hon. member for Cumberland (Mr. Smith) delivered an address early in the debate and quoted what he said was the bill of rights of the Maritime provinces, the first one being:

> The restoration of the integrity of the Intercolonial railway, with the western terminus of the system re-established at Montreal.

It will be noted that my hon. friend is not very clear in his statement whether or not it is intended that the Intercolonial should be detached altogether from the Canadian National and run by the government as a separate entity, or whether it should be run as one of the divisions of the Canadian National Railways. The difference between the two is very important and it is desirable that it should be defined in order that the House may recognize it. I understand my right hon. friend the leader of the opposition (Mr. Meighen) is opposed to either of those things being done. As a Maritime man I believe the Fathers of Confederation, when they placed in the British North America Act provision for the construction of what was known as the Intercolonial railway, intended that that railway should be operated for all time in regard to both through and local rates in the interest of the Maritime provinces on account of the fact that they were distant from the central part of Canada. I know for fifty years this parliament and public men on both sides of politics have recognized that as being the manner under which that railway should be operated, and it was so operated until 1918. I have under my hand the order in council, passed on the 20th November, 1918, which took that railway away from the position which it then occupied, by which they removed Mr. Hays and Mr. Brady, who were general managers respectively of the eastern and western lines and the order proceeds:

> And His Excellency the Governor General in Council, is further pleased to order and declare that the persons, from time to time comprising the Board of Directors of the Canadian Northern Railway Company, shall be and they are hereby appointed a Board of Management of the Canadian Government railways, and are hereby given the powers vested in the General Manager under the general regulations of the Canadian Government Railways adopted by order in Council of the 22nd January, 1914, (P.G. 184).

Mr. Hanna came in and took charge of the railways, and by a subsequent order in December the name of the company was changed and these directors were styled the Canadian National Railway directors. My hon. friend from Pictou (Mr. Cantley) became one of the directors of the railway in conjunction with Mr. Hanna, and my hon. friend from Pictou and Mr. Hanna brought into effect these railway rates which have been in existence, with some amendments, since that date. All these rates in force on the Canadian Government railways to-day, so far as they apply to the Maritime provinces, were brought into effect when my hon. friend for Pictou was one of the directors of the company. In order that there might be no doubt about that, I wired to Mr. Dalrymple, the chief traffic manager and vice president of the Canadian National, and this is what he said:

> Many changes have been made in downward direction in Maritime rates since 1921 including building material,

iron and steel articles, lumber, potatoes, grain and grain products and fertilizers. Rates between Prince Edward Island and mainland have been placed on main line basis; export and import via Halifax placed on St. John basis; reductions in class rates between Maritimes and points west of Montreal.

Those have been made since Mr. Hanna retired and since my hon. friend retired as one of the directors of the company, and since Sir Henry Thornton came in. I did not hear my hon. friend from Pictou, or any of those gentlemen previous to 1921 raising their voices in objection to the system of rates. We hear it now. At the instance of this government at the present time an investigation is going on for the purpose of ascertaining whether or not the discriminatory rates should be removed. For the information of the hon. member for Halifax (Mr. Quinn), let me state that when his party were in power down to 1921 there was discrimination against St. John and Halifax in favour of American ports in regard to grain passing through Canada. That discrimination was removed two years ago by Sir Henry Thornton, and to-day grain can be carried to Halifax and St. John, although it is a longer distance, at exactly the same rates as to Portland and Boston. That objection has been removed. Last year objection was made to the construction of proper elevator facilities.

Mr. SMITH: Before the hon. gentleman leaves the Intercolonial—

Mr. MACDONALD (Antigonish-Guysborough): I object to interruptions. I have only twenty minutes to speak.

Mr. SMITH: I would like to say—

An hon. MEMBER: Sit down.

An hon. MEMBER: Order, order.

Mr. MACDONALD (Antigonish-Guysborough): I am mentioning these facts to show the House that I agree that there are matters to be investigated and considered, but in regard to the question of coal duty I desire to remind my hon. friend that the miners of Cape Breton have passed a resolution objecting to any increase in the coal duties.

Mr. MACDOUGALL: When?

Mr. MACDONALD (Antigonish-Guysborough): Two or three months ago.

Mr. MACDOUGALL: Have you a copy of the resolution?

Mr. MACDONALD (Antigonish-Guysborough): No. My hon. friend knows it was passed just before the beginning of the negotiations with the Besco Company.

[Mr. E. M. Macdonald.]

Mr. MACDOUGALL: I would like to see a copy of the resolution.

Mr. MACDONALD (Antigonish-Guysborough): I can get it for my hon. friend. The hon. member for Digby-Annapolis (Mr. Short) addressed the House on the subject of the fisheries down there. I sympathize with him in full in regard to all those matters he mentioned. I think that industry deserves the greatest possible encouragement from all parts of Canada, but it is rather difficult for the government to make people eat fish if they do not want to. However, we are ready to do anything in our power to assist in the transportation of fish and the development of that industry. But let me call attention to a resolution which was passed in the provincial legislature, moved by the Conservative leader, Mr. Corning, on April 23, 1923. I would like to put this resolution on Hansard. I quote a portion of it:

Whereas, the spirit of the confederation compact with respect to the Intercolonial Railway, now a part of the Canadian National Railway system, has been violated and Nova Scotia as a province of Canada is not receiving fair and equitable treatment with respect to freight rates, railway, shipping and other matters on which the province's economic development depends.

And whereas, handicapped by high freight rates and our remoteness from the populous centres of Canada, Nova Scotia cannot compete in Ontario and Quebec with the farm or forest products of those provinces.

And whereas, the markets of Nova Scotia are now being invaded with the surplus farm, dairy, orchard and industrial products of Ontario, Quebec and other provinces which offer no reciprocal markets for the similar products of this province.

And whereas, Nova Scotia as a part of Canada is supporting the policy and practice of heavy protective duties, mainly for the advantage and benefit of the manufacturing and farming communities of Ontario and Quebec thereby increasing the cost of living in this province without any commensurate benefit to our people.

And whereas, Ontario, Quebec and the western provinces are indifferent to the development and use of the Canadian Atlantic ports, and the policy of the Canadian National Railway is diverting Canadian commerce and shipping traffic through foreign ports to the detriment and injury of the Canadian Atlantic ports and at the sacrifice of Canadian economic independence.

And whereas, confederation has hindered the natural development of this province, impairing its markets at home and abroad and compelling increasing thousands of its most thrifty citizens to emigrate to other lands.

And whereas, the burden of taxation, federal and provincial, has become intolerable to the people of Nova Scotia who have to bear their full share of heavy tariff duties and the loss from the operation of huge railway systems, which railways are building up the commerce of American ports at the expense of the Canadian Atlantic ports and the Intercolonial Railway.

And whereas, Nova Scotia if an independent, self-governing British dominion, would be able to protect its farmers, fishermen and industrial workers through tariff measures and trade treaties, thus preserving its home market and furnishing employment

to its people and profitable investment for capital and build up the enterprise and population of this province,

Therefore resolved, that in the opinion of this House a vote of the electors of Nova Scotia should be taken by way of referendum for the purpose of ascertaining whether the people of this province favour its withdrawal from confederation and the reconstitution of Nova Scotia as an independent, self-governing British dominion.

That was the Conservative policy in Nova Scotia in 1923. The resolution in amendment moved by the then leader of the government set out the policy of the provincial government, on that subject.

Sir HENRY DRAYTON: You drove them to it.

Mr. MACDONALD (Antigonish-Guysborough): I propose also to put on Hansard the amendment to the Corning resolution adopted the same day by the Nova Scotia legislature:

Whereas it is the declared and well considered policy of the Liberal party in Nova Scotia, while asserting and upholding constitutional rights and the fullest autonomy for the province, to promote and strengthen the unity of our country;

And, whereas, the Liberal party, as the historic party of progress and reform, fought and won the battle of responsible government, against all the odds of privilege and reaction, and as a party opposed to the last resort the unjust terms of confederation forced upon this province, the crippling effects of which still cause unrest, discontent and a strong sense of grievance among the people;

And, whereas, in the opinion of this House, the final adjustment of those terms must be pressed upon the federal government until full justice is secured and ample redress is made;

And, whereas, it has been and is the policy of the Liberal party in Nova Scotia to advocate and support a Customs tariff which bears lightly and equitably upon the people, for the relief of the burden of taxation and the encouragement of trade and industry; and to that end it gave its whole-hearted support and advocacy to the reciprocity agreement of 1911, which beneficent measure for the freedom of trade and the relief of taxation, the Conservative party and its leaders opposed and succeeded in defeating;

And, whereas, that reciprocity agreement, negotiated by a distinguished Nova Scotia statesman and Liberal leader, would have been of immense advantage and benefit to the people of Canada and especially those of this province and would have materially contributed to the amelioration of the difficulties and the removal of the disadvantages imposed upon the industries of Nova Scotia as a constituent part of the Dominion;

And, whereas, this House has already taken active measures to secure concerted Maritime action to the end that discriminations in freight rates, the operation of the Intercolonial Railway in its relation to the commercial and industrial prosperity of Nova Scotia, and the enterprising development of Maritime ports may be speedily adjusted—a consummation there is every reason to anticipate will be accomplished through the new administration at Ottawa which has taken definite steps to restore the constitutional rights of which these provinces were deprived by the former federal government;

Whereas there are growing evidences, under the Liberal administration, of industrial revival and increasing confidence in returning prosperity which is being steadily encouraged and vigorously stimulated by the efficient methods and sympathetic attitude of the federal government toward this section of the Dominion, in its endeavour to administer in an enterprising and successful way the tremendous railway undertaking which it inherited from its predecessor in office;

Therefore resolved that this House, recognizing that the factors which have militated against the complete development of this province, have been and are beyond the control of this legislature, and are largely the outcome and the results of action taken at confederation and of policies pursued thereafter by the Conservative party and its leaders, which the Liberal party opposed and resisted through its representatives and by all constitutional measures, place on record its strong and unshaken faith in the future of Nova Scotia and its confidence in the good will and the earnest desire of the present federal government to co-operate, in the most generous spirit, in safeguarding the rights and promoting the welfare of the people of this province;

Further resolved that this House record its firm determination to maintain, as its paramount duty, the historic policy of the Liberal party and of the government, of loyalty to the best interests of Nova Scotia;

And further resolved that this House, while recognizing the importance and value of the measures already taken by the present parliament of Canada to deal with the problems mentioned in this resolution, reaffirm its determination to exert its full powers and influence in expediting the necessary action to improve and cheapen the means of interprovincial transportation, to enlarge the commercial opportunities of the people, and to develop and expand the foreign trade of Canada through Canadian sea ports; and to the end that Nova Scotia may profit in fullest measure from the advantages of its geographical position and natural resources, urge the renewal of the efforts to secure by negotiation a reciprocal trade agreement with the United States, and freer access to the markets of the world for the products of the Dominion.

Then in 1925, one year ago, the provincial legislature of Nova Scotia passed a resolution from which this is one quotation:

Resolved that in the opinion of this House the Governor in Council should proceed with the least possible delay to prepare or cause to be prepared a statement of the particulars in which the interests of Nova Scotia have been prejudiced by the economic system of the Dominion of Canada, and should make application to the government and parliament of Canada for appropriate redress and equitable remedies.

A commission was appointed in July last by the then provincial government which was not allowed to function by the new government. The present Premier of Nova Scotia, in an Address on the Speech from the Throne, announced that they proposed to submit to the legislature a resolution setting out the grievances of that province. Hon. members are not all at one on this subject. Take Mr. McCurdy, Minister of Public Works in the government of my right hon. friend—

An hon. MEMBER: Where is he now?

Mr. MACDOUGALL: He is in the Liberal party.

Mr. MACDONALD (Antigonish-Guysborough): In a manifesto issued some time ago he said:

And first let me speak of the so-called national policy or system of protection, under and by virtue of which it is certainly true that the manufacturers of Ontario and Quebec have fattened and grown rich, even although they are now passing through a lean period.

We who live in Nova Scotia must pay the tribute to Ontario and Quebec exacted by the so-called national policy, but when we come to a question of protecting our interests and our ports, that we are told is another matter.

And he goes further and says in a letter:

The present customs tariff of Canada protects principally the manufacturers of central provinces who, taking advantage of it, raised their prices to the point that the cost of living of our people and the production costs of our natural industries are so great that our producers cannot compete successfully in foreign markets with the producers of other countries where living and production costs are lower.

That is the statement and the position taken by the Hon. Mr. McCurdy.

An hon. MEMBER: He is not a Conservative.

Mr. MACDONALD (Antigonish-Guysborough): You had better go and tell him that. Then again he reiterates on another page:

We believe that the policy of protection as applied to Nova Scotia to-day constitutes a burden which is crushing us.

That is the position taken by Mr. McCurdy. Mr. McCurdy has a right to his opinion, just as much as my hon. friends. He has a right to express his views in regard to these matters, and his views differ somewhat from those expressed by my hon. friends. It seems to me that the attitude of the government that a commission be appointed in order to arrive at just what the difficulty in the Maritime provinces is, is a reasonable one. My hon. friend from Labelle (Mr. Bourassa) made the suggestion that the matter might be inquired into by a committee of the House. That is well worthy of consideration. But here we have these varying and different views as to the real situation and the cause of it. On the one hand hon. members want more duty. On the other hand one of their confreres in the legislature of Nova Scotia declared quite two years ago that protection was injuring the Maritime provinces, and moved a resolution that a plebiscite should be taken to ascertain the feeling in that province.

Mr. QUINN: Did you not ask for duties on coal and steel?

Mr. MACDONALD (Antigonish-Guysborough): My hon. friend knows that I have a record of which I am not ashamed, and I am here to say that as a Nova Scotian and a Maritime man I stand firmly for everything that will make for the progress and the prosperity of that part of the Dominion. In my judgment, the intention of the Fathers of Confederation in regard to the Intercolonial railway should be clearly recognized and carried into effect, in the interests not only of the Maritime provinces but of the Dominion as a whole. I realize that the Maritime provinces have been handicapped by difficulties which deserve the fullest consideration of this House, and something must be done to remedy the situation. But we must proceed in the proper way. We do not want hysterical speeches by hon. gentlemen who one year fix coal rates and two or three years afterwards come to parliament and apply to have these rates altered. We do not want them calling themselves Maritime righters and on the vital question of railways standing behind the leader of the opposition, who is opposed to the Intercolonial being put back in the place where the people of the Maritime provinces want it. That is not the way to get results. Those of us who are anxious to see that part of Canada make progress must look at the facts. There are differences of opinion and there is no reason why these differences should not be inquired into. The government is sympathetic to difficult conditions wherever they exist in any part of this Dominion, and are anxious to devise and to find and apply whatever remedies can be found to make for the unity and upbuilding of Canada.

Hon. HUGH GUTHRIE (South Wellington): We have had something in the nature of a confession from the Minister of National Defence (Mr. Macdonald), when at the outset of his statement to-night he declared that the ensuing adjournment would be no holiday for members of the government inasmuch as they would require all the time at their disposal to prepare legislation for submission to parliament when it meets again.

Mr. MACDONALD (Antigonish-Guysborough): To perfect legislation, I said.

Mr. GUTHRIE: My hon. friend forgets that besides the members of the government there are in this House possibly 230 hon. gentlemen for whom it will be a holiday, and a holiday to which we object, which we do not ask for, which we do not desire and for which

the country will have to pay. It has been charged by the opposition in this House for the last four or five weeks at least that the government had no business to lay before parliament and was not ready to do business. It has been intimated for weeks now, at least since the motion was made for the adjournment, that those on your left, Mr. Speaker, were prepared to get down to business and to vote on the Address at any moment the government would come forward with business to be done. But until this moment nothing has been brought forward by the government, and the government now seeks an adjournment practically for its own purposes to prepare legislation against the re-assembling of parliament on the 15th. I for one take no exception whatever to the present motion of the government for the application of that parliamentary rule which we know as closure. I was one of those who in the year 1913 voted against the introduction of that rule, but after reflection during the intervening years—

Some hon. MEMBERS: Oh, Oh.

Mr. GUTHRIE: My hon. friends laugh, but their reflection has taken place only in the last twenty-four hours. In a few hours they have made a complete change of front. After reflection, I say, I have come to the conclusion, which I state wholly on my own authority, that no large deliberative body can operate satisfactorily without some form of closure. I do not believe that the proceedings of this parliament can be properly carried on now or in the future without the reasonable application of the closure rule. All the proceedings in the parliament of Great Britain are conducted practically under closure. It is not formally moved in that House for the reason that there is no necessity for so doing; the rule exists and the Prime Minister merely gives notice that at such and such a time on a certain day the vote will be taken, and the vote is taken accordingly. Closure is the rule in the United States House of Representatives, and it is also in our book of rules in this parliament. It should be a rule generally accepted and generally adopted if we in this parliament are going to transact properly the necessary business we are called upon to transact at every session.

Now I do not know that I have any protest whatever to offer. I feel rather like congratulating the government on the step it has taken to-day in moving this motion of closure. It is the first sign of life the government has exhibited for many weeks. It would have been far more to the credit of the government had it taken this step four or five weeks ago; the present departure suggests not only here but in every part of the country that the government has been driven into a corner and as a last resort has adopted rule 17 which has all the time been on the rule book of the House of Commons. I cannot say I commend the courage of hon. gentlemen opposite in this respect. But there are two kinds of courage, it is true: There is that courage that springs from confidence and from manly gallantry, and there is the courage born of fear. Everyone knows that even a coward driven into a corner will show fight; we know, everyone knows, that even a worm will turn if trodden upon. And if I cannot congratulate the government upon the courage it has displayed in this parliament I can at least say that I am heartily glad that as a last resource it has through courage born of fear brought in this measure of closure.

There is no doubt,—you realize it, Mr. Speaker, every thinking man in this House realizes it, and the electors of the Dominion realize it—that for the past eight weeks we have had something like a parliamentary fiasco in the House of Commons. I am not going to place the blame or responsibility for this situation on any party in this House. I am candid enough to say that in my opinion it has resulted from the election held on October 29 last. But this parliamentary fiasco might have been avoided, it should have been avoided, and it would have been avoided had the Prime Minister of this country taken the course he should have taken, and which in his Richmond Hill speech he promised to take, when he knew the result of the electoral vote on October 29. All our troubles have their starting point in the unwarranted resolution of the Prime Minister to retain office. From that point our difficulties began to arise and, as time went on, to accumulate and to become greater and greater, until at this moment we have what I know I am within the judgment of the House in describing as a practical parliamentary deadlock. I have spoken privately with many hon. members in every quarter of the House, thinking, intelligent and reasonable men. In private conversation in the lobbies or in the rooms of this building there seems to be unanimity of opinion upon this point, that present conditions are not satisfactory, and that they cannot be made satisfactory; that there is only one solution of our present trouble, and the sooner that solution is brought about the better it will be for parliament and the Dominion. That solution is a speedy appeal to the electors of Canada.

I do not say it in any language of disrespect, but I tell the government that it has become a by-word and a jest in every city, town and village of the country. Serious people from one end of the Dominion to the other of every shade of political opinion seem to unite in this view, that a situation exists in this House of Commons to-day which can be solved only in one way—by an appeal to the court of last resort; by another appeal to the electors.

Mr. MOTHERWELL: You have had two chances to do that.

Mr. GUTHRIE: Let us examine the situation without passion or excitement or ill-feeling.

Mr. MOTHERWELL: There is no passion at all.

Mr. GUTHRIE: We have a government supported by a hundred of its followers, faced by an opposition of 116 intelligent, able, capable, resolute men, an opposition convinced that it is right, and determined to oppose this government because it confidently believes the government is wrong. Then we have another group, or rather several groups, making up a membership of 29. These hon. gentlemen, although divided among themselves, at the present time accord a very general support to the government; but never up to the present moment have they had an opportunity of expressing their confidence, or lack of confidence, in the government. This lack of opportunity has been brought about simply through the skilful manœuvring and the finesse of the government. True, there was an opportunity in the early days of the session when a straight want of confidence motion was moved, and when a test of strength might have taken place; but no, it was not permitted; a minister of the crown to relieve the government of its difficulty and embarrassment, had solemnly to inform hon. members of the Progressive party that the government would not treat a favourable vote on that motion as a vote of confidence; in short, the minister had to plead with the Progressives to secure their support and avoid a decision on a straight vote of confidence. Since then we have never had an opportunity of moving one; by closure and by moving of the previous question we have been denied that opportunity.

Now, I think everyone must realize that the tenure of office of a government situated as this is is precarious in the extreme. What assurance is there to us or to the people of Canada of any permanence about the situation, or that we will get anything but haphazard, and sectional legislation at best? What assurance have my hon. friends of the Progressive group that this government, which for four years has resolutely denied their demands, and which now through force of political expediency says, "Hold on, support us, and we will grant your demands"—I say what confidence can the Progressive members have in such a pledge? What confidence can my hon. friend from Winnipeg North Centre (Mr. Woodsworth) have in a promise made under such circumstances? He has the honour of a front seat and is looked upon as an out and out supporter of the government—though by the way a few months ago he actually opposed a minister of this government and defeated him. Why is he now one of their supporters? Simply by reason of the fact that he has induced the Prime Minister to write him a personal letter—promising to do what? To amend the criminal code, to amend the Naturalization Act, to amend the Immigration Act—to amend three acts which this government had resolutely refused to touch through the course of four sessions. Why is that promise made now? Simply political expediency again. A government that has to stoop in that way, that has to hold out blandishments and allurements to those hon. members in the left hand corner of this House and to make other promises to the hon. member for Winnipeg North Centre, cannot be more than temporary and makeshift at best.

Well, Mr. Speaker, if the situation is as I have pictured it—and I do not think I have overdrawn it—if my statement meets with the judgment of hon. members, reasonable men in every quarter of the House, what is our duty under the circumstances? Shall we allow the disrespect—the growing disrespect—throughout Canada of parliament and parliamentary institutions to continue and to gather force? Or is it our duty as good, loyal Canadians having respect for this Chamber and for our parliamentary institutions, to seek to solve the problem, no matter if the solution be difficult? It will not be difficult in this case, Sir. My hon. friend the leader of the government (Mr. Lapointe) stated this afternoon the absolute determination of the government to continue in office. I suppose he spoke with the authority of his leader, the Prime Minister of this country. In our Prime Minister we have, unfortunately, a man who looks upon himself as practically indispensable in the councils of the Dominion. No man is indispensable in any country. We all pass out of this sphere in course of time and our places are very readily

filled; nobody is indispensable. But to continue, I fancy, is the resolution of the Prime Minister. He has resolved to hold on to the salaries and the sweets and the emoluments and the honours of office which he pictured in his Richmond Hill speech last September. I ask again: What is our duty under the circumstances? If the government would resign the problem would be solved and an appeal to the people would take place immediately. But the resolution of the government, as expressed to-day, is that it will carry on. Well, then, I appeal to my friends of the Progressive group, I appeal to hon. members who have the interests of this country at heart, who are able to look a little beyond the success or failure of political parties as represented in this House, to weigh the matter and inquire of themselves what is their duty. This afternoon I heard my hon. friend from Brandon (Mr. Forke) say to the House that the Progressive party had no fear of an election, that they would come back stronger than ever before. That being the case, they have it in their power to-night to solve this situation, they have it in their power this very night to force an appeal to the electors of the Dominion and break this deadlock which is so injurious to parliament and so injurious to the country. Will my hon. friends of the Progressive party rise to the occasion? Will they at this critical moment say: We will stand with you and make the appeal; we are not afraid of the electorate. They profess that they are not afraid of such an appeal. The only party evidently that is fearful of the electors is the government of the day.

Now I have made my appeal and in a closing word I say: We have on this side a united party, convinced that we are right, ready to stand up and vote on this question in order to solve this problem, to cut this Gordian knot by an appeal to the electors of Canada. I ask those of the Progressive party who are above partyism, who look to the present and to the future of this great country as the main theme in this debate as the great issue before us—I ask them whether they will join us and send this whole question back to the people for a solution at a general election.

Mr. JEAN-FRANÇOIS POULIOT (Temiscouata): Mr. Speaker, the speech to which we have just listened is a new evidence of the fact that dreadnoughts are not dangerous. As I am rather a new member in this House, a friend of mine asked me the other day why I spoke without notes the last time. I said that was very easy to explain, because I have my inspiration just in front of me; the present opposition is composed of "can't believe" men. The right hon. leader of the opposition (Mr. Meighen) can't believe that he is not the Prime Minister of this country; he can't believe that his child, the closure, is no longer under his control. That is why he is so sad about it. The hon. member for South Winnipeg (Mr. Rogers) can't believe that he is no longer the Minister of Public Works and the superintendent of all public buildings in Canada. The hon. member for Victoria-Carleton (Mr. Flemming) can't believe that he is not the Minister of Railways.

An hon. MEMBER: Where are your notes?

Mr. POULIOT: Notes? Well, this time the pictures of the members of the opposition are on my notes. The hon. member for Hants-Kings (Mr. Foster) can't believe that he is not Minister of Agriculture, and the hon. member for South Oxford (Mr. Sutherland) can't believe that he is not the Deputy Minister of Agriculture. The hon. member for Carleton (Mr. Garland) can't believe that he is not the Minister of Health. The hon. member for York-Sunbury (Mr. Hanson) can't believe that he is not the Solicitor General. The hon. member for Frontenac-Addington (Mr. Edwards) can't believe that he is not a church minister. The hon. member for South Wellington (Mr. Guthrie) can't believe that he is not the twelfth apostle. The hon. member for St-Lawrence-St. George (Mr. Cahan) can't believe that he is not speaking any more. The hon. member for Kent, N.B. (Mr. Doucet) can't believe that he is not a great man. The hon. members for St. Antoine (Mr. Bell) and Mount Royal (Mr. White) can't believe that they were in favour of Mr. Patenaude. The hon. member for Fort William (Mr. Manion) can't believe that he is not the Minister of Soldiers' Civil Re-establishment, and the hon. member for Vancouver Centre (Mr. Stevens) can't believe that he is not a Mussolini.

Sir, I have just returned from my constituency where I was yesterday, and my constituents said to me that I had forgotten to say something very important in my last speech in this House. They thought I should have repeated what my opponents, Mr. Patenaude's friends, told me during the last election, namely, that I should have crossed the floor of the House and grasped the right hon. leader of the opposition by the throat. I like to acquaint the members of the House with the kind of campaign carried on in my constituency, which I did not mention in my last speech. My hon. friends on the other side of the House are bad losers; they always raise the cries of prejudice and hatred, and when they lose they say we are doing it.

I have been in politics for several years. I started to fight for the Liberal party in 1908 at a big meeting which was attended by our late beloved leader Sir Wilfrid Laurier, and since that time I have never in my province heard a single Liberal speaker say that we should vote against the Ontario people or against the Protestant people. Quebec people are fair. But when the Conservatives lost, what did they say? They said, "Alas! we have lost the election because the Liberals raised the cry of prejudice." I remember also that in Quebec it used to be said that Laurier was against the French-Canadians, but in the English-speaking provinces the same Tories advised the electors to vote against Laurier because he was too much French-Canadian. In 1911, Mr. Speaker, in the province of Quebec, the Tory candidates used the same tactics as in the last election. They said then that they were as much against Borden as against Laurier, but when they were elected, were they free and independent? No; they voted as genuine Tory members. It has been the same all the time, and I think it time this was stopped.

Now, Mr. Speaker, we sometimes hear that Quebec will become Conservative again. The Quebec people have too much honour to elect any more Tory candidates. In 1917 what did we see in Ontario papers? We saw it stated that "Quebec must not rule," and that "only a solid Ontario could defeat them." That is what we saw, and it was signed by the Tory candidates in the holy city of Toronto. They took the responsibility of that slander against my native province, and is there now one member on the other side of the House who will dare repeat it? This is real prejudice, and it is the first time in the history of our country that a party has slandered a province just for the sake of power. There were cabinet ministers who put their names to those infamous libels against my province, which appeared in every issue of those papers, not for one day only but for three weeks during the election, and the members of the Union government at that time were responsible for it. Those people who say that they love Quebec would have stopped that sort of thing long ago had they been sincere. My friends on the other side of the House are surprised that we are on good terms with our friends from the prairie provinces, but the Conservatives made an alliance with the Liberals who betrayed Laurier in 1917, and now they are allied with people who insult the province of Quebec every week in this dirty paper, the Orange Sentinel. If I were the leader of a party, Mr. Speaker, I would not accept as my supporter a man who would defame 2,500,000 people who are honest and deserving of better than that.

May I read something now from the Orange Sentinel, a paper whose editor is a supporter of the right hon. leader of the opposition in this House. I am the more glad to read this because it is in an article praising the defamation of the French-Canadians of Quebec by the hon. member for Kent, N.B. (Mr. Doucet). I do not mind the Orange Sentinel, Mr. Speaker, because as soon as the orange is peeled, anybody can see that it is rotten. It says:

> No conquered people have ever been treated with such exceeding generosity as the French in Canada. But if they presume to dictate their will to all the other provinces, they will discover that they are unable to do so.

Some hon. MEMBERS: Hear, hear.

Mr. POULIOT: I hear some hon. members opposite pounding their desks. Will any hon. gentleman opposite rise and say that Quebec is not doing her duty? Does the right hon. leader of the opposition approve of those gentlemen opposite pounding their desks as I read? To continue:

> Quebec must take its place with the other provinces of Canada and observe the terms of our constitution if the people of that province hope to preserve the special privileges they enjoy, and exercise their proper influence in the government of the country.

I see the hon. member for Kent, N.B., laughing. I should like his electors to see him now. I think they would change their representative at once. I have no doubt he will be the next editor of the Orange Sentinel.

May I also quote from the last issue of the Orange Sentinel, under date of February 23 last? In an article headed, "The Service of the Orange Order in Canada"—evidently the readers of this paper are living on an orange diet—I find this:

> Frequent attempts to place the French language on an equality with English as a medium of instruction have also been successfully defeated. The Orange Order has saved the educational system of Ontario from becoming completely Romanized and bi-lingualized. It has helped to keep Ontario English-speaking, British and Protestant.

Is not this religious and racial fanaticism of the worst kind? Is there a member of this House who can approve of these dirty things being said against the province of Quebec? I am sorry the editor of this paper is not in his seat. I do not think he has any friends now in the House, or if he has, they are not courageous enough to stand up and take the responsibility for what he has written in this dirty paper. Perhaps his

absence is explained by the fact that he is now writing another article similar to these I have quoted.

Mr. Speaker, I have just come back from my constituency. I have seen my friends there, and I have asked them what they thought about closure, and the unanimous answer was: "We are mighty glad. Give them what they deserve. We are well satisfied that you shall use against the right hon. leader of the opposition the weapon which he himself forged and used against the beloved leader of our party in 1913."

In conclusion, Mr. Speaker, I wish to quote from the speech made by Sir Wilfrid Laurier on April 9, 1913, when closure was first introduced into this House. He had a vision of the future, and referring to the present leader of the opposition, then the Solicitor General, he said:

> My right hon. friend has not forgotten the words of Shakespeare:
>
> —this even handed justice
> Commends th' ingredients of our poison'd chalice
> To our own lips.
>
> The poison that he offers to us to-day will come to his own lips at some future day. We are in the minority; we can be gagged; we can be prevented from expressing our opinions; they can trample upon our rights. But, Sir, the day of reckoning will come, and it will come as soon as we have a dissolution of the present parliament."

Mr. Speaker, the day of reckoning has come, and it is to-day. Neither the right hon. leader of the opposition nor any of his cabinet ministers of 1921, nor any of the cabinet ministers of 1917, if they are still supporters of the right hon. gentleman, will ever get more seats for their party than they have to-day in the province of Quebec. In the last campaign we had Jacob and Esau in the province of Quebec; the hand was the hand of Patenaude, but the voice was the voice of Meighen. But the people of the province of Quebec cannot be fooled any more, and so long as our friends on the other side of the House continue to insult the French-Canadian people, as they do daily and weekly in their papers and in their conversation, their party will have no chance in the province of Quebec, where there is no greater insult to any man than to say he is a Tory.

Mr. A. E. ROSS (Kingston City): Mr. Speaker, the plenteous showers of congratulations which have fallen upon you during the past two months must now be accompanied by universal regret that it has fallen to you, one of the most highly respected first commoners in the history of our country, to preside over the most unconstitutionally founded parliament, the most futile and the most insincere parliament in our history. It is a parliament, Sir, without a head, a parliament without a policy, and a parliament existing for one purpose only. The reasons for the statements, Sir, are very well known. For four years the country has entrusted the administration of its affairs to the Prime Minister and his government, in order that he might implement the promises he made during the election campaign. For four years we have had parliaments of barter and trade, parliaments which have existed for nothing else than to sacrifice policies for power. This government, Sir, arranged an opening, but it staged an auction sale. This government brought in a Speech from the Throne, but they destroyed every principle, every law, which made the Speech from the Throne possible. They moved an Address in reply to the Speech from the Throne, but they destroyed the spirit and the soul of parliament. This action too was taken under the influence of the Prime Minister, who on October 1, 1925, at Moose Jaw made these remarks:

9 p.m.

> There was one thing which as a person grew older, he realized more and more and that was that one of the fine things which the men of the old parties had handed to their sons was the desire to fight for the freedom of the institutions which their fathers had helped them to establish.

Yes, they moved an Address but they destroyed the institution which their fathers by sacrifice and service had established in this country. The institution which we have always looked up to perhaps more than any other has been that of the recognition that a government not elected at the polls should retire. On the 29th October of last year this country spoke with a strong, certain, clear and distinct voice and it said: We do not want the Mackenzie King government. I am not concerned whether they call the hon. member for Brandon (Mr. Forke) or the hon. member for Winnipeg North Centre (Mr. Woodsworth) or the hon. member for Labelle (Mr. Bourassa) or anybody else to form a government; the one voice spoken by the country on the 29th October last was: We do not want the Mackenzie King government. The country rejected him; his own constituency, a constituency that had been carved and strengthened for him, a constituency patched and quilted as an easy seat for him to lie down upon, rejected him. The voice surely was strong enough to demand the retirement of such a leader.

If he did not care to accept that step of retirement, another step was open to him and that was to accept the first seat offered.

A number of seats were offered to the rejected Prime Minister but none of them he accepted. Nature came forward and gave an opportunity but to that opportunity he had not the courage to rise. After an interval the hon. member for Russell (Mr. Goulet), we are told, was called but the bargain did not go through. We are told that the hon. member for Kenora-Rainy River (Mr. Heenan) came down. We can imagine this member once elected as a Labour Progressive, having served in that legislature under the Minister of Labour, very talkative but with very little action, saw his opportunity, when the Minister of Labour was defeated, of having the office offered to him. He came to Ottawa quite expecting an offer to be made to him, but we are told the offer made was: What would you think of giving up your seat for the Prime Minister? That was not accepted. If the Prime Minister had not the courage to accept any of these opportunities or to make a challenge again, why should he take the seat nearest to the North Pole for an election? Why should he run away so far that it would be impossible to follow him? No, Sir, he lacked courage to come to grips just as the party lack courage to-day to come to grips. They could not be screwed up to put the first motion to restrict debate in this House,—no, the burden was laid upon one who was aided and abetted in his election by this government.

Does the opinion of such members as the member for Nelson (Mr. Bird) justify the support of the government of to-day? Let me read a few extracts from Hansard of last year. In the debate in regard to a motion brought forward by Mr. Knox, Mr. Knox made this statement:

> A party like the Liberal party which has made no further advance, during the four years in which it has held office, to carry into effect its platform and published policy, will certainly not be received with open arms by the thinking portion of the electorate, especially in that part of Canada lying west of the Great Lakes.

Additional interest will be found in the remarks of the reverend gentleman, the hon. member for Nelson who, on that occasion spoke about the government as follows:

> Now, where does the Liberal party stand in regard to the Hudson Bay railway? Who knows, who can tell? Nobody.

Then he goes on to say:

> There is some paralyzing influence within the ranks of the Liberal party which makes it impossible to proceed with this venture.

I might add to this the remark of another member of the Progressive party who are now coming forward in support of this government. During the same debate a reference was made to a former Liberal government, and this was said:

> Hon. Mr. Graham: That was a good government.
> Mr. Forke: They have been living on their reputation ever since.

These are the opinions of this government who for four years failed to do their duty and brought about the predicament in which this parliament is to-day. The Minister of Agriculture (Mr. Motherwell) and the Minister of National Defence (Mr. Macdonald) made interruptions about the election in Regina. Why Regina? Why is an election to take place in Regina? Why is an outside member to be called to the support of this government? In the 100 members across the way was there not one supposed to be capable or efficient to be put up as a minister for this dying and dead government? Not one. One can imagine the hon. member for North Waterloo (Mr. Euler) wishing that he had not taken the platform he had in the last election, thinking if he had not been an Independent he might be absorbed to-day; but having denounced this government, refusing to run as their candidate, he sees himself passed over to-day by a man from Regina. The chief whip (Mr. Casgrain) and the hon. member for St. James (Mr. Rinfret) would be available as cabinet material. Why are they passed by? The hon. member for Labelle would have gladly stepped into the vacant place. Was he not supposed to be fit or efficient? The hon. member for Winnipeg North Centre would gladly have come in now that they have agreed to wipe out these awful and outrageous resolutions in regard to naturalization and the Criminal Code. The hon. member for Pontiac (Mr. Cahill) would offer himself. But out of the 100 members sitting on the opposite side who were elected in the last election, not one is considered efficient or suitable for the vacant place.

What is a closure for? It is to stop debate in order to proceed with some business. Never was closure adopted but a government had some important measure to bring immediately before the House. Who ever heard of a closure in order to go off and take a holiday? This is the most unconstitutional parliament that any person ever heard of. A closure for a holiday! What is the holiday for? An adjournment for six weeks! Then why accept two weeks or a week and a half? If six weeks were necessary, why take one and a half weeks now? If one and a half weeks are sufficient now, why was it thought necessary to take six weeks before? This is the position we are in. The whole thing is ridiculous. The stand of the government is ridiculous and

childish. This adjournment is to rig up an old waterlogged, storm-ridden ship, foundered upon the shores and upon the rocks, and to bring out an old despised pilot, that pilot who, we heard last session, was to be thrown overboard. The ship, storm-tossed and wrecked is now to be taken into dry dock, a few planks put in it, and a little bit of stern and stem constructed. Why is it necessary?

We are told that in the old ancient city of Troy there was an image called the Palladium —that is, a wooden image in the fortress of Pallas Athene. There were two themes about it: it was supposed to prevent the destruction of the city, and it was supposed to be sent from heaven. This holiday to-day is to find the palladium of the Liberal party, this heaven sent palladium that will save it from destruction, and the holiday is for no other purpose. The Minister of the Interior tried to remind us to-day that this was a new era. I do not think any person will object to that. It certainly is a new era in the political life of this or any other country. It is an era marked by destruction of principle, and it is an era where we have an exhibition of the Minister of Justice standing up in this House and defending principles which he sought to tear down some years ago. If this is a new era, do principles of right and justice change? No, principles cannot change with regard to right and justice.

I would like to draw attention to some further remarks by the Minister of Justice in 1913. I should like to place two passages on Hansard, because I think the remarks would correspond with the remarks he would make now, if he spoke from his heart. The then hon. member for Kamouraska, the present Minister of Justice (Mr. Lapointe) said:

> The resolution which we are asked to pass will put in the hands of some ministers a dangerous weapon. That weapon will be still more dangerous when such ministers owe their position to lobby wire-pulling, to services of a suspicious character, to a deep knowledge of intrigue. These ministers may then without apprehension purchase padlocks or mail bags for several generations, they may appoint to positions of public trust—

Mark this now, in the face of what is occurring at the present time.

> —blackmailers and perjurers as a reward for their work in election time, because they will be in a position to apply the infamous gag which they are preparing for the purpose of preventing any criticism of their misdeeds. Freedom of speech will be reserved exclusively to the men in power and subject at all times to be denied to others. Freedom which is granted only by way of sufferance is really not freedom.

I would like to quote a few further remarks by the Minister of Justice from the same speech, which fit in at this time most aptly. He said in regard to closure:

> It is the result of a fit of bad temper; it means the sacrifice of one of our most beloved franchises for the purpose of giving a new lease of life to a discredited administration.

Now in the face of those remarks, I quite agree with the Minister of the Interior (Mr Stewart) that a new era has arisen when the Minister of Justice, having conscientiously made these remarks some years ago, to-day brings forward the same measure which he thought was so damaging to parliament in the past.

The Minister of the Interior in this debate referred to the fact that the matter picked out by the opposition was always the National railway. Well, it is the purpose and the function of the opposition to criticize, and to criticize severely, any departure which directly or indirectly comes under the direction of this parliament in regard to their actions, and why should we not criticize the National railways? Have we not had the experience of the Scribe hotel? We were told by their own Minister of Railways that it would be the last thing of this nature that would occur. But following that immediately came the purchase of the corner of King and Yonge streets in Toronto, and now comes the Rouyn railway. What is the object of it? If they want to bring the freight out, they have only one of two ways to do it. They have to bring it out by Quebec, or by Cochrane and then over the Temiskaming and Northern Ontario railroad. If their profession of economy is sound and is to be followed, the natural course would be to go by the shortest route, and that would be by the present Temiskaming and Northern Ontario railway.

The Minister of the Interior says: "Look at our trade returns and statistics in this prosperous country." The people of this country are crying out for a change. Men are unemployed; women and children are hungry, and all that the Minister of the Interior and this government have to offer to them are trade returns and statistics. People who are hungry are looking for some further signs of prosperity than trade returns and statistics.

I started out with the statement that this was a discredited government. There are many signs which show that they were discredited and that they should not be in the position which they occupy to-day. At the front we always took it as a good sign when the message went out that the trenches were solid and sound and there was a possibility of retaining them. The trench holders then stood in their positions, and it is the same in the matter we are considering now. Once

the report goes out that the country is prosperous and that this government is going to be sustained, the seat holders on the government side remain there, but what were the signs last October just before the election? Never in the history of any country did we see such a rush for cover as we saw among the supporters of that government, indicating its instability and impossibility of their retaining power.

Mr. J. A. MERCIER (Laurier-Outremont): Mr. Speaker, even at this late stage of the debate, when time is so precious, it would be remiss on my part if I did not seize the opportunity, owing to the old friendship which exists between you and myself and between your family and mine, to offer you my congratulations on the great honour conferred upon you by this House. For the first time in the parliamentary history of Canada the Speaker has been elected to the chair of this House for a second term, and it was the recognition of your eminent qualities, Sir, that brought you this honour. Your friends back in Montreal, your native city, have followed your career with pride and they look forward to further honours being bestowed upon you by your grateful country. Their desire and their hope is that you will long live to serve this Canada of ours. Your mature judgment and the great qualities which qualify you for the position that you occupy with so much credit to yourself and to this House should, in my opinion, be made use of to a greater extent, and it is unfortunate that our constitutional rules will not permit you to advise the various parties in this House how they should carry on the business of this country. If it were possible for you, Mr. Speaker, to lend the benefit of your experience to these parties, you would no doubt tell the opposition that they have been absolutely wrong in obstructing the business of parliament for so many long weeks. You would tell them that they have been forfeiting the confidence of the people of Canada and losing the esteem of their friends by hindering the government from getting down to the important business that waits to be done.

The opposition are losing their friends steadily, and we have only to refer to the newspapers of the country of very recent date to find proof of this statement. If we look at yesterday's Gazette, of which the hon. member for Mount Royal (Mr. White) is editor, we shall see that this paper blames the opposition for the manner in which they have been obstructing parliament. Yesterday morning's Gazette had this to say:

> Can the opposition grant an adjournment under the conditions set forth in Mr. Boys' statement without acknowledging the government's right to govern and thereby condemning the "obstruction" of which the government have complained so bitterly? It looks very much as if the Boys offer comes down to this, that Mr. Mackenzie King can have his adjournment if he is prepared to admit that he has no right to it. If that be good strategy it is certainly not good logic, and it will not impress the public who are becoming mightily out of temper with the House of Commons and its windy futility. There is some strange mystery behind the declaration of the chief whip, which mystery is only partially dissipated, if at all, by the first part of Mr. Boys' address, which may be summarized in the words—Master, go on, and I will follow thee to the last gasp, with truth and loyalty.

A reference to last night's Star also confirms the opinion that the leader of the opposition is losing another friend, if ever he could count upon the Star as a friend. We in the province of Quebec had not the honour of greeting the right hon. gentleman during the last electoral campaign although we were mystified for a considerable time by his continued absence from that part of the country. He passed through the province of Quebec on his way to the Maritimes and on returning he again came through the province, but he did not honour us with a visit. It was only when the by-election came on in Bagot that, ignoring the advice given him by his friends at that time, and realizing then that Canada was not so large a country after all and that it was possible for him to visit every section of it, the right hon. gentleman entered the province and visited the county of Bagot where many of us had the pleasure of receiving him. The reception given him in that county belied the advice he had got from his friends, for it was quite charming; the people of Bagot were delighted to see him. But they did not have any more confidence in my right hon. friend after his visit than before, as is evident in the fact that the hon. member for Bagot sits on this side of the House. Mr. Fauteux, the Conservative candidate in that by-election, suffered his eighth defeat, and when the elections come around again in the province of Quebec he will suffer his ninth or possibly his tenth defeat.

So that if we consult the newspapers of Quebec we shall see that the conduct of the opposition so far in the present session is being criticized; hon. gentlemen opposite are being censured for holding up the business of the country. The French newspapers of the province are blaming the right hon. gentleman and his followers for all these weeks of

obstruction, and rightly so. The only reason the leader of the opposition has advanced for this obstruction is the desire of the opposition to allow the committee investigating the charges in respect of the Customs department to continue functioning. But as the acting leader of the House (Mr. Lapointe) pointed out this afternoon, no witnesses who have so far appeared before the committee have shown any desire to refuse to answer any questions put to them, nor have any witnesses failed to appear when summoned. I will go further. A great number of the employees from the various departments will appear before the committee, and if the House does take a recess, as it will, it will be an easy matter to examine these government employees in the interval. They will not dare to refuse to appear before the committee and the few days during which this House will be adjourned can very well be occupied in examining these particular witnesses. So that this excuse for not agreeing to an adjournment does not hold and the opposition deserves censure on that ground.

I stated a moment ago that hon. gentlemen opposite were losing their friends. The parliamentary correspondent of the Montreal Star last evening wrote an article against the leader of the opposition. The hon. member for South Wellington (Mr. Guthrie) said that on his side of the House there was a united party. If that is so, we on this side do not understand why the editor of the Montreal Star, one of the supporters of the right hon. leader of the opposition, should write in his paper only yesterday an article against him. During the present session that journal has at least shown itself friendly towards the right hon. gentleman, but last night it contained the following article:

> Conservatives in those days were not Bagot-chasing. When they answered, "Ready, aye, ready" to the bay of the lion, they did not go to Hamilton and recant.

The hon. member for St. Lawrence-St. George (Mr. Cahan) does not seem to have any too great a liking for his right hon. leader. We all remember the speech he made in Toronto. We in the province of Quebec have great respect and admiration for the hon. member. When he came to Montreal from the province down by the sea we welcomed him with open arms—just the same as the county of Bagot welcomed the right hon. leader when he mustered up courage enough to come into the province. He is one of the front-benchers of the opposition. I have noted with much surprise, Mr. Speaker, that the official opposition is referred to as the Tory party. The Conservatives of Quebec do not call themselves Tories; the only association we have with the Tory party in that province is a souvenir of the burning of the houses of parliament in Montreal. They are known by several names—the Liberal-Conservative party, the National Liberal-Conservative party, the Unionist party; but in Quebec our good honest Conservatives will not allow anyone to call them Tories. As I said, this very important member of the Conservative party apparently has not much love for his right hon. leader. His speech in Toronto soon after the election shows it. He said in the House the other day that he would explain that speech, but if I be not mistaken, Mr. Speaker, he failed to remember his promise. We are anxiously awaiting his explanation of how he can be a member of such a united party in view of his Toronto speech against his leader. Rumour hath it that a sage from the west, the member for one of the Winnipeg constituencies, likewise does not regard his leader with any great affection. Rumour hath it likewise in the corridors—and the vehement denial by the chief whip of the Conservative party would lead us to believe that it contains an element of truth—that all is not love and loyalty in reference to the procedure of the Conservative party in the present debate. Of course, we do not know whether that is so, but there is no smoke without some fire.

We were very much surprised that in this free country the chief whip of the Conservative party, a party that is in a minority in this House, should try to lay down the law to the government and dictate what should be done in this House. The hon. gentleman on Friday afternoon said that his party in its might and strength had decided to allow the Prime Minister on his return to the House one day, two days, or possibly three days to announce whether he had any business to bring down, and if he acknowledged his unpreparedness, why then the official opposition, in the greatness of its heart and with that spirit of charity which the Conservative party has always admitted to be one of its distinguishing characteristics, was willing to allow the Prime Minister the recess which he has been asking for. Naturally, Mr. Speaker, it raised our ire to think that the hon. gentleman in such bold terms should try to dictate to the government. Since the opening of the session the Conservative party has been seeking to defeat the government, but in every division so far they have not succeeded. This very afternoon they tried once more, but they

failed. And they will fail in every other vote this session. The government is to be commended for the firm stand it took this afternoon in moving the closure. The government is in power, it commands a majority in this House; and it is the majority that rules. Therefore the government did quite right in taking this course and has the unanimous endorsement of its supporters. We want the business of the country attended to.

We do not protest and brag about being a united party. It is not necessary. There is no question about our unity. We stand firmly behind our leader. There is no criticism of him, there is no desire to displace him. We stand enthusiastically behind him. We believe that the best interests of Canada will be served by the Liberal party, and we will support the Prime Minister to the very limit of our strength so that the business of the nation may be proceeded with and Canada may enjoy that prosperity which she deserves.

Hon. S. C. MEWBURN (East Hamilton): I am sure, Sir, that you, in common with all the other members of this House irrespective of party, will join in wishing our youthful member for South Winnipeg (Mr. Rogers)—young in years but old in parliamentary experience—many happy returns of this his sixty-second birthday.

This, Mr. Speaker, being my first offence this session, I hope you will bear with me with your usual courtesy and kindness. I feel that instead of joining with the 239 members who have tendered their congratulations to you on occupying the chair again, I should extend to you my very heartfelt sympathy on the trying ordeal you have been subjected to while sitting through the many weeks of this burlesque show.

In the early stages of the debate there were some interesting and dramatic events, particularly when our good friend from Labelle (Mr. Bourassa) did everything but turn handsprings up and down the centre of the chamber. I wish to congratulate, Sir, the acting leader of the party to your immediate right on having regained his nerve. We were worried about him at the end of last week, but he was apparently strengthened over the week-end sojourn by the coming dominator of the party, that fresh breath from Saskatchewan, the new Minister of Railways and Canals. He has apparently been in consultation with these gentlemen outside of the House, who told him to forget all about his opposition to closure, to bring it in and have done with it. I congratulate him on regaining his nerve, and if he had only had the spunk to do it three weeks ago he would have received greater admiration and respect from all in this House.

It seems to me, Sir, that this debate has been threshed all over, from the North Pole to the South Pole; the whole compass has been boxed. We have heard about everything from coal to Chinese eggs, and still we are here, having accomplished nothing. Two hundred and forty-five able-bodied men, elected on October 29 last to represent constituencies throughout the whole of Canada, were called here at the suggestion and on the orders of the present acting leader of the government, or the Prime Minister that was—and will be again in a few days. For what purpose? I am wondering what the people of Canada are thinking. We have been here since January 7 and have accomplished nothing. What is the reason for that? I know every member to your left, Sir, comprising the Liberal-Conservative party, 116 in number, came here on January 7 with the full intention and the honest desire of carrying on the business of this country and fulfilling those duties for which they were elected. We have been prevented from doing so by the egotism, the incompetence and the irresponsibility of that party which might well be called from now on the Liberal-Progressive-Labour-Independent party. It is a wonderful alliance; extraordinary bed-fellows, and how long will it last? That is the question the people of this country are asking.

Coming to the Speech from the Throne—and I do not wish to take up much time with it—the Speech delivered by His Excellency on January 8 sets forth the programme or suggested programme of the strap-hangers or the hangers-on of power in this country. The acting leader of the government to-day informed us—and I think had the audacity to try to give out to the people of Canada—that the only reason why this parliament was called together on January 7 was to prove to the people that his government had the right to carry on and function. That being the case, why does he insult the intelligence of the people and of the members of this House by bringing down a Speech from the Throne in which it is stated, among many other things:

> Our manufacturing and related industries throughout the Dominion have experienced a development not enjoyed in many years.

Surely one does not have to travel very much about the country to know that that is not correct. Then the Speech goes on:

In the opinion of my ministers the improved conditions warrant further substantial reductions in taxation.

Further, among other things—and I do not wish to quote them all—I find the following:

Measures will be taken to further the retention on the land of our existing agricultural population, to encourage the return to rural parts of urban dwellers possessed of agricultural experience, and the repatriation of Canadians now living in other countries.

When our good Canadian citizens, who have been forced by this government to leave the homes of their birth and adoption and go across the border, read that in the press, their first answer is, "What is the good of going back to Canada? We will return to Canada just as soon as we can get work, as soon as we can get on the pay roll there, and not before."

Then, Sir, further in the Speech I find:

To this end a measure will be introduced offering wide facilities for rural credits.

I do not wish to take up the time of the House to-night by referring to that extraordinary measure. We all know how a year ago, in the dying days of the session, the government decided to bring in a rural credits bill to satisfy some of our friends from the west. They had promised it all session. During the last week of that session a bill was forced through this House authorizing the expenditure of some $10,000,000 of Canada's money, with the government praying to the Lord Almighty that the Senate would kill it, which they did. Now we have the same promise again. I have an open mind on the question of rural credits, but I do say with all sincerity that I think the time has passed when any great facility should be adopted for a rural credits scheme in this country. If any such bill is brought in I hope and trust that the government will get beyond those ideas suggested in the bill brought in last year. I hope that the loan corporations of this country which includes mortgage companies, trust companies and insurance companies, which have met and are meeting the situation; which have been the backbone and the strength of the development of the whole of this country, including the west—will be brought into consultation to give some practical views and the results of their experience as to the working out of this problem. They were refused permission to give evidence before the committee a year ago, and I think that was a great weakness on the part of the government.

The next thing I notice in the Speech from the Throne is that a tariff advisory board will be appointed forthwith. It is not a tariff board, but a tariff advisory board. We all know what a joke that will be; a lot of gentlemen appointed, drawing large emoluments from the crown and going round the country advising the government on this and on that. I think the suggestion of the right hon. leader of the Conservatvie party, expressed in his resolution of June, 1925, sets out distinctly what he means by a real tariff board, which is what we need in this country.

Another thing I notice in the Speech from the Throne is this:

My government propose to submit provisions for the completion forthwith of the Hudson Bay railway.

Well, Sir, these are very important matters which the government, in the Speech from the Throne, led us to believe they were prepared to submit to this House, but we have not heard a word about them. We have gone on debating the Speech from the Throne, looking daily for some effort on the part of the government to bring down some of these measures and thus implement their promises. I am not appealing to my hon. friends to my left, but surely after four years' experience they must know—it must have been demonstrated to them beyond question—that this government is absolutely impotent, absolutely unable to function, and that there is very little likelihood of their fulfilling the promises they have held out to the members of that group.

I do not propose to take up much time going into a lot of other details. I could speak for some time, but it seems to me that what the people of this country are interested in are four vital things, and the first and dominating one is the fiscal policy of Canada. I say, the fiscal policy of Canada—not a tariff policy, but the fiscal policy; and when that fiscal policy is settled and stabilized and has become permanent, when it has got away from being a political football, then the people of this country will be encouraged and will be able to function and expand as they ought to do. I concur entirely with the remarks of the hon. member for South Toronto (Mr. Geary) when he described what was meant by protection. I think his words are well worth repeating. Referring to the tariff he said:

Sir, to me those are words only, purely a matter of terminology. There is no such thing as high, low, or moderate tariff. Those words are relative terms only, and indicate no principle. You may have a duty that is higher than a protective duty; you may have a duty that is lower than is a protective duty; but the policy of the Conservative party has never been any of these. The word—to be used in describing the policy of the Conservative party is a simple word—"protection." Its meaning is clear. It is unmistakable, understandable. It does not mean a tariff that gives a bonus to a farmer

or to a manufacturer. It does mean a tariff that gives to each a fair chance to compete under the unfair conditions which he is obliged to meet.

In that I entirely concur. I say that that is what the people of this country want to know, and the sooner they know it the better.

The next thing they are interested in, and it is something everybody is interested in, is the question of taxation. If the government have any sincerity, let them announce when they come back on the 15th of March, or as early as possible, that the taxation is going to be reduced, and let them state positively and in unmistakable words what that reduction is going to be. If they reduce the taxation, they will automatically be compelled to cut down the lavish expenditure that has been going on in this country for years. If a person's income is reduced and he cannot get credit, he has got to retrench. But the difficulty with this government is that it is not only Liberal in name, but liberal with the taxpayer's money beyond record.

The next thing the people of this country are interested in is the railway problem and immigration. Every one and each of these is an enormous problem that requires to be solved in this country, and it seems to me that the members of this House ought to be virile enough and strong enough to get together and face these problems and try to settle them. I do not think there is any problem a Canadian cannot manfully face and manfully solve.

My hon. friend who spoke just before me, the hon. member for Laurier-Outremont (Mr. Mercier), seemed to be very much perturbed. He referred in his opening remarks, Mr. Speaker, to your great parliamentary experience, and I agree with him. With your ideals of British traditions and parliamentary practice, he said that if you had had your way you would have taught the members sitting to your left to stop obstructing parliament and let the government carry on. If I know you, Mr. Speaker, I know what you, with your unbiased mind, would have done if you had had your way, and it would have been to ask the government who are now hanging on to office to immediately resign.

The hon. member was very much interested in trying to draw a herring across the trail when he referred to the hon. leader of the Conservative party. I want to say to him, and I say it here in all sincerity: Give us an opportunity, go to the country, let the people speak at an early day, and then the hon. member will soon learn that the Liberal-Conservative party are a unit, wholly and unreservedly behind their present leader. Go to the country, and you will not see the same stalemate after the election that exists now in this parliament.

Mr. A. E. MacLEAN (Prince): Mr. Speaker, in common with speakers on both sides of the House who have preceded me in this debate, I wish to tender to you my sincere congratulations. Coming as you do from an eastern province down by the Atlantic coast, you understand our problems, and I know that you will be sympathetic towards them and fair with the members from that part of the Dominion as they endeavour to present these problems to parliament.

I am not here to attempt in any way to criticize our friends on the opposition side for the attitude they have taken in this debate. They are free to choose their own course, and if the course they have adopted appeals to them as the right course, they are, of course, at perfect liberty to adopt it, and it remains for the people of this country to pass judgment on them at a later date. I have been delighted with the number of speeches that we have heard from all parts of the Dominion. I do not know that the time of parliament has been altogether wasted. I think the views that have been presented have been presented in good faith by the members representing the different constituencies. I believe that each member has come to this House with the object of representing his district to the best of his ability, and of presenting to parliament the difficulties that confront his constituency, and of seeking, if possible, a way in which those difficulties may be overcome.

10 p.m.

Some hon. gentlemen who have taken part in this debate have taken very strong objection to the course which the government has pursued. They have criticized the Prime Minister very severely and said that he has not dealt fairly with the people or fairly with parliament in not having a seat in this House before parliament was summoned. This may or may not be correct, but there is one thing I can say: The Prime Minister in adopting the course which he did possibly has not taken the best course from a political standpoint, for I believe it might have been more to the advantage of the Liberal party if he and his ministers had been elected to parliament and had their seats in this House when parliament met. If it was political advantage they were looking for, perhaps that would have been the better course, but I think the Prime Minister and the government acted fairly with the people of this country and with this House in meeting parliament and allowing the elected representatives of the people to pass judgment on who should rule.

Our friends on the opposition side seem to be very much peeved that the Progressive party has supported the Liberal party during this session. I do not think, Mr. Speaker, that we are here to criticize each other's actions. The members of the Progressive group have a perfect right to use their own judgment and support in this House whichever party and whatever policy that appeals to them. As the hon. member for Nelson (Mr. Bird) stated on one occasion, the policy of the party was far more important than the party itself, and if the policy of the Liberal party has appealed to our Progressive friends and they have supported the government, I do not think it comes with good grace from any member of this House to criticize them for the action they have taken.

The hon. member for St. Lawrence-St. George (Mr. Cahan) the other night, when the hon. member for Nelson moved the motion which is now before the House, seemed to be very much annoyed that he did not have the opportunity of moving what he called a motion of direct want of confidence in this government. He attempted to the best of his ability to secure the floor on that occasion and to address the House. I think his intentions were to move a straight want of confidence motion. Perhaps that matter is worth looking into just a little further.

First we can ask ourselves: What was the object of the hon. member for St. Lawrence-St. George (Mr. Cahan) in attempting to move a want of confidence motion in this House? I think there was something behind the apparent object of defeating our friends on this side and forcing them from the government benches. If we look into British history and British parliamentary procedure we find that an hon. member who moves a want of confidence motion and is successful in having that motion carried is called upon by His Majesty the King—in the case of Canada, by His Excellency the Governor General—to form a ministry. It looks to me as if the hon. member for St. Lawrence-St. George, had in view not only the object of defeating the government and forcing the Prime Minister and this cabinet from the treasury benches, but he also had the idea of forcing the leader of the Conservative party (Mr. Meighen) from his position as leader and having the Governor General ask my hon. friend to form a government and carry on the business of this country. If my hon. friends will read British parliamentary procedure they will find that is the course which has been adopted. I have no quarrel with my hon. friend's ambition, but it is only fair in passing to make this comment and I am not surprised that my hon. friend was so disappointed when he found that the hon. member for Nelson (Mr. Bird) had the floor and he was prevented from moving that want of confidence motion which he so much desired to move.

The question of Maritime rights has been brought up at different times, and I have listened with a great deal of pleasure to hon. gentlemen representing Nova Scotia, New Brunswick and our own province who have spoken in regard to that question. Our hon. friends criticized the Prime Minister for stating that he did not know what Maritime rights were, and former members in this House were criticized for not, during the last four years, presenting to this government Maritime rights and emphasizing what those Maritime rights were. Our friends have brought to the notice of the House one particular instance and that is the question of the Intercolonial railway. They have centred all their efforts on the question of the Intercolonial railway and have claimed that the withdrawal of that railway from the Canadian National system will solve the difficulties of the Maritime provinces. At least they seem to think that is one of the main questions and that would be the great solution.

We on this side of the House have been charged with doing nothing during the past four years with regard to that same question. The Minister of National Defence (Mr. Macdonald) to-night brought very forcibly before the House which party was responsible for the condition that we have in railway matters in the Maritime provinces and for having the Intercolonial railway made part of the Canadian National system. He pointed out that in 1918 under an act of the then government the Intercolonial was brought into the Canadian National system, and that prior to this government assuming power in 1921 no effort was made by our friends who were supporting the party which they are now supporting over there to have this matter put right. It is only fair to members from the Maritime provinces who were in the last parliament to state that one of the very first things we took up when the 1922 session opened was the question of Maritime rights. I think our friends on the other side of the House should be the last men to come to this parliament or to go on any platform in this country and state publicly that the Liberal party is responsible for the situation down there.

What happened when our friends took charge of the Intercolonial and made it part of the National system? The first thing was to take the general manager from Moncton and to transfer the head offices from Moncton

to Toronto. In 1922 I remember our meeting in the reading room in this parliament building and drawing up a memorandum which we presented to the Minister of Railways and the president of the Canadian National Railways, making the distinct request that the first thing we required was the return to the Maritime provinces of a general manager at Moncton. We made that request unitedly. The Minister of National Defence neglected to emphasize that to-night, but he was one of the prime movers in that matter and the memorandum was drawn up and signed by every Maritime member with the result that we have the general manager returned with head offices at Moncton. We had put in charge there as general manager, Mr. Brown, a Maritime man who, we claimed, knew Maritime questions, was sympathetic with Maritime conditions and would give us a better service than we had when the management was in Toronto. The moment we got the general management back to Moncton we had an improvement in conditions and I wish to place on Hansard some of the improvements that took place. Some hon. members opposite the other day charged this government with increasing rates and with making no effort to have a reduction in rates. As was pointed out by the Minister of National Defence to-night the question of reduction of rates was taken up immediately after this government came into power. Prior to that time there had been an increase and no effort was made to have a reduction. I have in my hand a letter which I should like to read in full in order to show that this government took action immediately, but as we are limited to twenty minutes I am going to read part of it and ask that it be put on Hansard in its entirety, because it emphasizes very clearly the facts I wish to emphasize. The letter, which is dated February 11, 1925, is as follows:

A. E. MacLean, Esq., M.P.,
Room 409, House of Commons,
Ottawa.

Dear Sir,

Referring to telephone conversation of date, when you requested to be advised briefly and in a general way as to reductions made in freight rates on the Atlantic division of the Canadian National Railways since the rates reached their peak in 1920:

The first decrease was effective January 1st, 1921, when the rates in eastern Canada were reduced from 40 per cent to 35 per cent over the rates in effect prior to September 13th, 1920. The next general decrease was effective December 1st, 1921, when the rates in eastern Canada were again reduced to 25 per cent over the rates in effect prior to September 13, 1920.

Effective August 1st, 1922, the following reductions were made affecting rates in eastern Canada:

(1) On forest products; building material (brick, cement, lime, plaster); potatoes; fertilizers (other than chemical): ores; pig iron; blooms; billets; wire rods; and scrap iron, the rates were reduced to 17½ per cent over those in effect prior to September 13, 1920.

(2) On coal, other than anthracite, all increases provided for effective September 13, 1920, were rescinded.

(3) A reduction was made in the rates on traffic between Maritime province points and points west of Port Arthur and Fort William.

Up to this time, the freight rates between points on Prince Edward Island and mainland stations on the Canadian National Railways had been on a somewhat higher basis than the rates between points on the mainland, and there was also an additional charge to cover cost of transshipping from standard- to narrow-gauge cars, or vice versa. In 1923, as a result of representations before the board by yourself and Mr. J. J. Hughes, a revision was made in the freight rates as affecting Prince Edward Island, with the result that the rates between points on the Island, and also between the Island and mainland points, have been reduced so as not to exceed the rates on the same traffic for the same distances on the mainland. With respect to class rates between Island territory and points in Quebec and Ontario, these were revised placing the Island territory bounded by Borden, Summerside and Charlottetown on the same basis as Halifax, and the balance of the Island territory on the Mulgrave basis, which brought about reductions in these rates. The various changes that were made at this time resulted in quite substantial reductions in the aggregate.

The next change that particularly affected the Atlantic division of the Canadian National Railways was a reduction of approximately 10 per cent on all class rates between points in the Maritime provinces, and between Maritime province points and stations in Ontario, which was made effective April 14th, 1924.

The general basis of freight rates has not been reduced subsequent to the date last mentioned although there have been numerous reductions made covering various individual rates and traffic movements since that date. By this I mean that rates on certain commodities between specific points have been reduced to assist in the development of business and to provide for new markets, but it would be a matter of some labour to go through all the tariffs and give any detailed statement of these changes.

I might also mention that in January, 1925, as an emergency measure, a tariff was issued covering the movement of potatoes from Maritime province points to western Canada at substantially reduced rates for a limited period to assist in the marketing of the surplus that was on hand in the Maritime provinces at that time.

I trust that this information will serve your purpose, but if there is anything further you require, I shall be glad to hear from you.

Yours truly,
W. E. Campbell,
Chief Traffic Officer

Hon. members will note that the rates reached their peak in 1920. This letter shows that these reduced rates became and were effective only at the request of Maritime members and it is very unfair for the hon. member to charge us with doing nothing in that regard. I am not saying that those rates are as low as they should be; I hope we will get further reductions and I am willing to join with any Maritime members in seeking for a further reduction in rates and for justice so far as justice can be done for

the Maritime provinces. I do not however think that the whole question of reduction of rates will solve our difficulties in that connection.

Another statement was made that when the Prime Minister went to the Maritime provinces he made no attempt to solve their difficulties and offered them no relief. The right hon. leader of the opposition went down at the same time and openly acknowledged, I think, in his first speech in Nova Scotia that the National Policy had not been beneficial to the Maritime provinces, and that he was of the opinion that a high tariff was not in the interests of the Maritime provinces, and of Nova Scotia particularly. He said, "To offset that, we will give you something else; we will give you a subsidy on freight rates, and if that will not do we will give you something further." In the last contest the gentleman who opposed me took a very decided stand on this question of freight rates. His whole contention was that the rates from western Canada were too low, and that the products of western Canada were displacing the farmers' products in the Maritime provinces very rapidly. The whole theme of his argument was that the western people were given a preference over the people of eastern Canada, and it was charged that in the introduction of the Crowsnest pass rate that we had sacrificed the Maritime provinces for the western provinces. If my hon. friend's contention is right that the Maritime provinces were affected by the cheaper rate from western and central Canada which allowed products to come in to the Maritimes, the suggestion made by the right hon. leader of the opposition to subsidize freight rates east and west of the Maritimes would only make our difficulties down there ten times worse, that is, if the contention of the gentleman who opposed me is correct.

Mr. PRICE: Will the hon. member state what the leader of the opposition said on that occasion? Do not deal in innuendoes; give us facts.

Some hon. MEMBERS: Order.

Mr. MacLEAN (Prince): My hon. friend will have a perfect right to discuss that matter any time he likes. He will find in the newspapers what the right hon. leader of the opposition said, and I do not think he will deny my statement. I think the gist of his remarks was to the effect that the National Policy had not been altogether beneficial to the Maritimes, and to offset this effect which the National Policy had on the Maritime provinces he would supplement out of the treasury of the Dominion the rate on the Canadian National system from western and central Canada to the Maritime provinces and vice versa.

Mr. PRICE: May I ask—

Some hon. MEMBERS: Order, order.

Mr. SPEAKER: Order.

Mr. PRICE: I want to point out that the hon. gentleman—

Some hon. MEMBERS: Order.

Mr. PRICE: He dare not say it—

Some hon. MEMBERS: Order, order.

Mr. PRICE: The hon. gentleman is misrepresenting what the leader of the opposition said.

Some hon. MEMBERS: Order, order.

Mr. PRICE: Absolutely misleading—

Some hon. MEMBERS: Order.

Mr. MacLEAN (Prince): I will give my hon. friend (Mr. Price) a chance to discuss the question in this House any time he wishes but not now.

Mr. PRICE: Give the facts.

Mr. MacLEAN (Prince): Mr. Speaker, I understand that my time is up. I thank hon. members for their courteous attention.

Mr. R. K. SMITH (Cumberland): My purpose in participating in the debate at this juncture is to register a vigorous protest on behalf of the Maritime provinces, and particularly the province of Nova Scotia, against the cessation of governmental activity because of the very serious situation existing in the Maritime provinces this very day. Before, Sir, taking up that matter, I want to refer for a short time to some of the remarks made by the hon. Minister of National Defence (Mr. Macdonald).

Let me say first, Mr. Speaker, that I bow very low to his long public record, his long parliamentary experience, his position as a minister of the crown in this so-called government, and to his seniority. But I take issue with him firmly and absolutely on some points he raised in his address this evening. I take issue with him also Mr. Speaker, in regard to some of the statements he made during the election of 1921 and his refusal, when he had the opportunity in this parliament, with a solid sixteen from Nova Scotia behind him, to implement the solemn promises he made to the electors of Pictou county in 1921. As he has seen fit to quote me, which is his perfect right, I see fit Mr. Speaker, to quote some of the remarks made by him in 1921 and

to ask this House and this country, and particularly the Maritime provinces, to say whether any of the promises and the pledges he made in 1921 were carried out by him on the floor of this House.

An hon. MEMBER: Did he go back to Pictou?

Mr. SMITH: No, he went to Antigonish-Guysborough for a very good reason. He told the electors in the county of Pictou in 1921 that if they elected him to parliament and the Mackenzie King government was returned he would bring hope and sunshine into every home in that county. But the hope and sunshine did not arrive in that county, and the result was that he crossed the border and went to Antigonish-Guysborough, and I presume he told the electors of that county that he would bring hope and sunshine to every home in that county. In the town of Stellarton, just a few days before the 1921 election, the hon. Minister of National Defence said:

> I shall, when at Ottawa, insist that they take up and deal with the question of old age pensions and with the matter of unemployment insurance.

I am sorry, Mr. Speaker, that the labour representatives are not in the House at the present time. This promise of old age pensions bears some relation to the promise of the Prime Minister in the supplementary Speech from the Throne. If either one of the Labour members were in the House at the present time, I would ask him, and I believe this House has a right to know, what was promised with respect to old age pensions. What was promised by Mr. King to the Labour members as an amendment to the Criminal Code of Canada? What was promised by the Prime Minister to be brought down as amendments to the Naturalization Act and the Immigration Act, and other assistance they were demanding for the cause of labour?

I am in hearty accord with a great many of the policies which labour is advocating. I do not think they have been treated fairly in the past. I received a great measure of support from them in my constituency in the last election. I believe when we are in a financial position to carry out further reforms that it will be our duty to carry out those reforms. But in regard to old age pensions, Mr. Speaker, the people who would be entitled to receive them will have starved or have left the country before they can benefit by such a provision. It is not fundamental legislation so far as labour is concerned. You must first provide work for the labouring classes of this country, or they will not live until they get to the age at which they would be entitled to a pension. The fundamental question so far as labour is concerned to-day is that we should inaugurate a policy in the Dominion of Canada that will provide them with work so that they may keep themselves and their families from starvation.

I said I would refer to the distressed situation in the province of Nova Scotia. This government decides to have a recess, suspending the country's business and thus making a mockery of our parliamentary institutions, in order to go to the country for the purpose of patching up its shattered forces. Do the actual facts bear out the flattering remarks that appear in the Speech from the Throne in regard to this prosperity which it is alleged exists in this country to-day? I have in my hand a telegram sent to-day from Sydney Mines to the hon. member for Cape Breton North-Victoria (Mr. Johnstone) which reads:

> Conditions at Sydney Mines rapidly approaching crisis. Sixty four hundred dollars subscribed jointly by coal company, United Mine Workers and citizens exhausted. Have no information when work shall be resumed at collieries.

Listen to this:

> Five hundred and fifty families in dire distress. Citizens can do no more and felt government assistance absolutely necessary to deal with the situation. Copy of this sent to Premier.
>
> M. DYER, Mayor.

In face of the fact that 550 families in Cape Breton island are in dire want, the House of Commons, for the pure purpose of political expediency, decides that it must have a recess in order to enable the government to elect ministers to fill the gaps which are so pronounced on the opposite side.

Mr. McMILLAN: Where is your great Messiah in the Rhodes government?

Mr. SMITH: I can tell the hon. gentleman a lot about the Rhodes government. That government found conditions, bequeathed to them by a Liberal regime, which it will take a considerable time to clean up. But they will be cleaned up, even after forty-three years of trespassing on the rights of the province of Nova Scotia. Moreover, the Rhodes government would never grant any charter such as the late Liberal government of Nova Scotia gave to the British Empire Steel Corporation which created in Nova Scotia a monopoly that has caused considerable distress in that province, and particularly the distress to which reference is made in the telegram I have just read from the mayor of Sydney Mines.

It is fitting at this time to ask what policy will be for the general good of labour, a

policy which is fundamentally sound and not one that will provide the working men with something to which they are entitled but which they will never receive for the reason that their days will be cut short by the distress in which they are living at present. I am glad to see the hon. member for North Winnipeg (Mr. Heaps) in the chamber; I believe he is a champion of labour. I hope he will represent labour in this House. I am informed, and he will correct me if I am wrong, that in the election he opposed a candidate of the very government which he is now supporting. Well, if at that time he opposed a candidate of the government he must surely have been opposed to the policies of that government, and what is responsible for his changed attitude since he has come to this House. I know not.

Mr. HEAPS: I also opposed a Conservative.

Mr. SMITH: That brings up a question which I intended to refer to later. It is not the question whether Conservatives or Liberals should be in power at this time. Mr Mackenzie King issued a manifesto to the people of the country in October when he asked them to return him to power upon certain policies which he submitted to them. What was the result? Leave out of consideration for the moment the Conservative party, the Progressives, the Labour and Independent members. What was the result, I ask? The people decided against Mr. Mackenzie King in the proportion of 101 candidates elected in his party to the rest of the membership of this House of 245. In view of this decision Mr. King had only one plain duty, and that was to resign. The issue was not whether the government should corral enough support from independent sources to enable it to carry on; that was not the issue at all. The issue was very clearly stated by Mr. King at Richmond Hill and throughout the Dominion; he said, "I want the electors to give me a sufficient majority to warrant me in going back to parliament and putting into force those policies which I have not been able to make effective so far because of the meagre majority I have at my command." I say, therefore, to my hon. friend from North Winnipeg that it is not a question of his being opposed to the policy of the Conservative party or the policy of the Liberal party and having to choose between the two. No; that is not the question. His constituency, I presume, sent him back to parliament to oppose the King administration, as did all the other constituencies represented in this House by hon. gentlemen in all quarters who were elected in opposition to the government; and the government has no right to accept, nor is it just in accepting, the support of either Progressives, Independent members, Labour members, or any other faction in this House. The people, I repeat, decided against the King government, and Mr. King, if he wanted to keep faith with them, would not now accept support from these sources, for the constituents of hon. members who were elected in opposition to the government and were returned to parliament for the express purpose of opposing the government, and they should oppose it, irrespective of what the policies of the Conservative party may be.

The Speech from the Throne promises the building of the Hudson Bay railway. Now we from the east have little knowledge of that undertaking; we do not know what it is going to cost nor whether it will be under the control of the Canadian National Railways or not. Has any report been received from Sir Henry Thornton and his engineers on this project. We should like to know these things. We want to know whether there is going to be set up in this country a distinctly dual system of governmental control of the National railways. As matters are now, I for one have not been made acquainted with the intention of the government in this respect. Is this new railway to become a part of the Canadian National system, or is another Canadian National system going to be brought into being entailing high paid officials and all the inevitable paraphernalia of such a system all over the Dominion? These are some of the things we want to know before committing ourselves to such a gigantic project as the Hudson Bay railway, and we are entitled to have that information. The people should know all about the matter before being asked to undertake this project.

Other questions are dealt with in the Speech from the Throne such as rural credits and various other matters which have been carefully gone into by hon. gentlemen who have already spoken. There is, for example, a proposed commission to inquire into Maritime rights. As I said in my maiden speech in this House, we do not need a commission to ascertain what these rights are; we know what they are and we are here to insist upon their recognition.

Reference was made to myself a few days ago by the hon. member for Gloucester (Mr. Robichaud) who observed that we Maritime righters were not in our proper place when

sitting on the left of the Speaker. I want to ask the hon. gentleman where we should go to have Maritime rights recognized. Certainly not to the Mackenzie King government. We sent a delegation of 200 to Ottawa a year ago to urge recognition of our rights without any benefits. We sent 16 representatives in 1921 to support the Liberal party, but our cause was not recognized, and in 1925 they do not know what Maritime rights are. I extend my heartiest congratulations to the hon. member, he is the sole survivor of the virtually extinct species of Liberalism from the province of New Brunswick in this House. Might I say while on that question, Mr. Speaker, that in Nova Scotia to-day the parties in both houses of parliament, local and federal are made up of one Labour member, six Liberals and fifty Conservatives. The hon. member no doubt will receive the reward he is entitled to and be asked to accept a seat in the cabinet now to be reconstructed. New Brunswick is too important a province to go without representation in the government, and I have no doubt that his past services to the party and his ability merit that reward.

Referring again to the hon. Minister of National Defence I would ask him—if he were in the chamber—why the Guysborough railway was not built under the same procedure as the Rouyn railway. The Liberal party made great claims down in Nova Scotia with respect to the building of the Guysborough railway, and said they had done everything in their power to get the road built for the benefit of the people in Guysborough and the adjoining counties. But evidently they did not do everything in their power, because I understand that a certain act was placed on the statute books in 1915, and according to the way they dealt with the Rouyn railway, I believe they would have been able to pursue the same procedure to bring about the construction of the Guysborough railway. But I do not admit that they were really entitled to build the Rouyn railway in that way, nor do I admit they they could have built the Guysborough railway by following a similar course. But having taken the wrong course in that case, they could easily have repeated the wrong and built the Guysborough railway, instead of bringing in a bill to authorize its construction, which bill they knew was a sham because it would be and was rejected by the upper chamber.

Mr. L. LACOMBE (Laval-Two Mountains). (Translation): Mr. Speaker, allow me to make a few comments in my mother tongue —were it but to assert again the principle, already acknowledged long ago, of the use of the two official languages in this country—that tongue of which André Chénier was able to say: The most beautiful language born on human lips.

I am happy, Sir, to take part in this debate and support, as a member of the Liberal party, the so dignified, tactful and energetic attitude taken by the acting Prime Minister, the hon. Minister of Justice (Mr. Lapointe). It really is a pleasure to assist in the efforts made by all the members of this government and I shall add, moreover, in the offorts made by our congenial colleagues in this House, the Progressive members. I cannot, however, pay the same compliment to the right hon. leader of the opposition (Mr. Meighen) and to his followers who, for weeks, have been obstructing legislation and will have to answer to the people of Canada for the enormous expenditure which, each day, they are the cause. Where are these gentlemen who, in the course of the last electoral campaign, proclaimed themselves the champions of economy? I ask you, Sir, were they sincere? Were they in earnest when they advocated economy and when, to-day, they confine themselves to obstruction which threatens to become everlasting? That is why the government has thought fit to take energetic means, and I deny the leader of the opposition's right of being shocked with regard to this measure since it is his own child. He was its father not under similar circumstances as do now apply to it; but he was the author of it at a time when all men having the interest of their country at heart, wished to protest as to Canada bleeding itself to death in order to participate in the wars of the empire; he was its father at that time just as he charged, this afternoon, the hon. Minister of Justice of being the father of the measure to-day.

I must congratulate the Minister of Justice who in a way comes forward as the standard bearer of the rights of the people in this House. He is the bulwark of these rights because knowing himself well supported by us, he wants to put an end to this deluge of words characteristic of an incompetence unsurpassed but by its own insignificance.

Mr. Speaker, I cannot refrain from pointing out to the energetic and strong stand taken by the hon. member for Labelle (Mr. Bourassa). I am happy, although not always agreeing with him in his views and principles, to offer him this sincere mark of my admiration, and to observe that he has lost nothing of his eloquence and energy of days gone by, that this eloquence also is still persuasive and

fiery and can only find its equal but in his high intellectual culture.

When I speak thus, when I express myself frankly, clearly and precisely, I know I am voicing the general feeling of my county. Have we not obtained in this House, the sanction of the people through the unquestionable majority we repeatedly have been registering up to this day? Are not the people backing us up? Is not the established authority of this country supporting us, and does not the majority of the representatives of the people constitute the established authority?

That is why, to-day, we are fearless in suppressing the unceasing obstruction of those who oppose our measures. We are in duty bound to govern because the people, through their representation in this House, have decreed that we were the government. This is why we have no fear in saying: desperate diseases require desperate remedies.

I state that it is absolutely wrong for the opposition to have, week after week held this House in suspense, when the hon. member for South Wellington (Mr. Guthrie) stated a short while ago, that the opposition had no desire for a holiday, I was in no way astounded, as the opposition has been enjoying a holiday for already five weeks. And when the hon. member further stated that after giving it serious consideration he had changed his mind, I would ask him to also return to his first love, to the sacred ties of the Liberal party whose cherished aims are the country's happiness, prosperity and glory.

I was listening, a few moments ago to the hon. member for Hamilton (Mr. Mewburn). Hamilton! The prophetical word of to-day, since it sums up the new political policy of the right hon. leader of the opposition. Hamilton! The famous Hamilton speech! which, thank God, the province of Quebec did not swallow down at the last election in Bagot. And how could they believe in that speech when the most intimate satellites of the leader of the opposition were criticizing him throughout Ontario? It is not necessary to name these members, however, beneath the velvet paw we felt the claws of these satellites of the leader of the opposition.

I do not wish, Sir, to further impose on your kindness. Allow me, by the way, to add a few words with reference to the hon. member for St. Lawrence-St. George (Mr. Cahan) who, the other day, in this House, made a speech lasting five hours and a half. His attitude seems somewhat strange, especially when one beholds him sitting on the same row as the right hon. leader of the opposition, he who always acknowledged Mr. Patenaude as his leader in the province of Quebec. The same remark applies to the hon. member for Mount Royal (Mr. White) whose newspaper so strongly condemned the attitude taken by the opposition these last days. I trust that the high ideals of these two hon. members will have a beneficial influence on the opposition.

In closing my remarks, Mr. Speaker, allow me to state that I rose not to harshly criticize the opposition, but because the interest of the country at large demanded it, and because we need, we on the government side, to reorganize the cabinet, to complete our legislation and bring it down before parliament in order to carry out our sessional programme. That is what the people demand of us, to-day, and that is why I have taken part in this debate.

Hon. R. B. BENNETT (West Calgary): Mr. Speaker, I congratulate my hon. friends opposite on the courage they have displayed in moving closure. It is a courage, of course, born of necessity, but nevertheless I congratulate them because it indicates a recognition on their part that closure is an efficient instrument in the hands of a government to permit public business to be transacted. I have nothing to say as to the reasons why they have changed the views they held in days long since passed. I feel that it is not to be held against those who govern that they see fit to change their minds and adopt more modern methods when they have seen the error of their ways and realize the virtue of that to which they were opposed.

I am sure, Mr. Speaker, that it must be rather difficult for the hon. member for Nelson (Mr. Bird) to contemplate the situation which has arisen. There are two forms of closure. The closure that we have in this House dates back in the British House, if my memory serves me right, to 1858, but long before that, for three centuries, there was a form of closure known as closure by debate, whereby a member moved the previous question and that had to be disposed of. It is true that members might speak on it, but that was closure by debate. Now we have in this House the beautiful spectacle of the hon. member for Nelson conceiving in a moment the happy idea of availing himself of the rules, making it known to my hon. friend the Minister of Justice (Mr. Lapointe)—who received the intimation with pleasure, if not with gratitude. And when it was known that the hon. member for Nelson proposed to do this, everyone on the opposite side of the House expressed his pleasure and admiration at the genius of the hon. member in dis-

covering this method of terminating the debate. When this closure by debate was proposed, smiles adorned the faces of my hon. friends opposite, who looked so sad in days past—the Minister of Agriculture (Mr. Motherwell) for example, when he saw this debate dragging on. When I saw the smile on his countenance my heart rejoiced within me, but now what have we in the way of gratitude?—"A lively hope of favours yet to come." Imagine if you can, Mr. Speaker, anything more cruel than to see the hon. member for Nelson called upon this afternoon to vote for closure by force or by majority as against that closure which he proposed, by debate. I have seen some amusing spectacles in my time, but never one more amusing than the way in which the hon. member faced the bullets of the enemy and rose like a hero to cast his vote. Such a man is fit subject indeed for an epic poem.

So closure by force, by brute force, by majority, has taken the place of that other closure by debate about which, in days long since past, my hon. friends to the left used to proclaim so loudly. And my hon. friends from Winnipeg! Oh, dear; closure by force; free speech; the gag! Is it possible that they have forgotten the closure by debate and are now no longer against closure by gag? New times, new manners, new methods, new morals.

Now, Mr. Speaker, the debate to which we have just listened has not been wholly without merit and without benefit to the state. We have heard many things we would otherwise not have heard. We have heard of the difficulties that confront the people of the lower provinces in carrying on government, and I am sure no one in this House who has listened to the tale which has been unfolded has not been stirred in his heart and made willing and determined to do what he could to better their conditions. I would be recreant to the country from which I came and in which I was born if I did not feel deep sympathy. I count it the only merit I have that I was born in the lower provinces. When I think of the contributions which those provinces have made to this House, to this country and to public service; when I think of the contributions hon. gentlemen sitting on this side of the House are making to-night and which they have made in their speeches during the last few weeks, I cannot help thinking that there must be, in the intelligence, enterprise and industry of the Canadian people, the skill and power to evolve some scheme which will bring peace, happiness and prosperity to these provinces which are now suffering. I do not for a single moment think—nay, I do not even suggest—that there are in this House, even on the government benches, men who would not better these conditions if they knew how, if they could conceive some method by which that could be done. These conditions can only be improved if we bring to bear upon their improvement a clear conception of the desirability of maintaining confederation as it was originated, by a system of compromises. After all, compromise government is what must be resorted to by all parties if we are to govern and rule. When I find one of the provinces of this Dominion represented in this House by men of the talent and calibre and capacity to think and speak that we have heard during the last few weeks, then I say if for no other reason this debate has not been in vain.

But, Sir, there has been one other matter brought up in this parliament that I regard as of paramount importance. It has been shown beyond peradventure of a doubt that there has been abuse of the powers which are falsely alleged to rest in certain parties with respect to the construction of railways. I cannot read the statutes as carefully as I have endeavoured to read them, the statutes of 1915 and of 1919, and believe for a single moment that the hon. gentlemen who constitute the government of this country will, when they soberly and calmly consider the matter, regard the action that has been taken with respect to the Rouyn railway except as an open defiance of the power and authority of parliament.

Mr. Speaker, it strikes further than the mere construction of a railway. It is not a question of whether or not you may construct forty-five miles of railway in any province; it is whether or not the money of this Dominion shall be expended without the authority of this parliament. I understand that my hon. friend the Minister of the Interior (Mr. Stewart) said this afternoon that they were not in the least concerned or worried about that, because the proceeding was regular in form in every particular, and had behind it the sanction of high legal authority. But, Sir, may I remind you of a matter of which you are well aware; when the great Gladstone had to appoint to the Privy Council a judge, and the statute said that those eligible for the position should be men who had held high judicial positions, Sir John Collier, an eminent legal practitioner, a man whose capacity was undoubted, was appointed to the Court of Common Pleas, and then, after he had remained there a few days, sent on to the Privy Council. Public opinion on the matter in England was so strong that Mr.

Gladstone had to apologize, in almost abject terms, to the British people for having thus violated the sense of a statute. The statute of 1915 was passed long before the Canadian National system was created, long before we had an amalgamation and consolidation of government roads. Yet that statute is resorted to to justify the passing of an order in council declaring that a branch of railway not yet under construction to be in the interests of the people of Canada, to be operated as part of the government system of railways, a system, Sir, which no longer exists, because there is no longer a government system of railways—the system of railways we now have is the Canadian National system; its name, its power, its corporate rights being determined by statute. Despite the provisions we have inserted in our statutes to protect the public exchequer, we are now told it is in the public interest, not that a branch line should be acquired, but that a branch line should be built and then acquired by a form of lease that is nothing better than a bond guarantee. Under these circumstances I say parliament should be consulted.

I am not concerned about the construction of the railway. I believe it is essential that that road should be built into that country, in order that that great mining camp, the richness of which we do not yet know, should be developed. I believe in all that; but, Sir, I am vitally concerned, and every man in this House must be vitally concerned, that parliament's rights and powers should not be abrogated, and that defiance should not be flung at this parliament by any set of men however eminent they may be. It is for that reason I ask my friends carefully to consider the situation, and if for no other reason this debate had dragged along, it would have been justified on that ground alone, and the position we have taken would have been vindicated. I ask hon. gentlemen to consider these statutes, that agreement, that lease, and the order in council,—by which hon. gentlemen opposite, when they have read it for the first time, will have learned how easy it is to make a lease into a bond guarantee and how facile indeed are the conditions that have been inserted by men who do not practise their profession in this country to see to it that this Dominion, with all its power and might and financial resources, is put behind an ordinary harmless lease by the government of a branch line not yet built—I ask the Solicitor General (Mr. Cannon) calmly and carefully to consider this agreement in the light of the statutes, in the light of their plain meaning. It is true that in a court of law Hansard is not to be quoted as an authority, but it is clear that the statute of 1915 applied only to existing lines, branch lines in the lower provinces and Quebec. The very terms of it will abundantly make that clear.

11 p.m.

Sir, I have a suggestion to make to my friends opposite with respect to the Canadian National Railways, and this gives me an opportunity to do so. If I venture to criticize the Canadian National Railways, I am told that I am an enemy of its president. If, on the other hand, as a shareholder of the Canadian Pacific railway I attend its meetings, I am not criticized for exercising my right as a shareholder. Mr. Speaker, I am a shareholder to-day in the Canadian National railway system; I in common with every member of this House am a shareholder in that road. We people of Canada are the shareholders, and how may we express our criticism of the conduct of that road unless we are afforded an opportunity to do so? I deny, Sir, the right of any person to say that it is high treason or lèse majesté for any member of this House to criticize the chief executive of that system. I hold I have a right as a shareholder to point out conditions as they arise, suggest remedies, and offer criticisms. That is all I claim. The real weakness of the Canadian National railway system to-day is that there is no provision for a meeting of its shareholders. With every other corporation there is an opportunity afforded for men to meet together and criticize and discuss the corporate actions of the executive. But no such power is here, and we have no body of directors except those appointed by the governor in council, and that body of directors happens to be a perfectly useless body, composed of men selected for political services. I do not for a moment say that the party who sits to your left, Mr. Speaker, would not do the same; I am not that sort of man at the moment, but I do desire to point out that the board of directors we now have is a board of directors wholly unequal to the task imposed upon them by law of determining matters of interest to the railway.

Mr. Speaker, I have a suggestion to make; it may or may not be constructive. My proposal is that we should have nine directors of the Canadian National system, one from each province in this confederation, little and big, Prince Edward Island having one, Ontario and Quebec each having one, and one only, making nine in all, because the Canadian National system functions in every province in Canada. I suggest to you, Sir, that these nine directors be elected on a joint ballot

of this House of Commons and the Senate and of all the legislatures of all the provinces of Canada.

Mr. MERCIER (Laurier-Outremont): Unwieldy.

Mr. BENNETT: It would not be the least unwieldy because we would profit by continuity of service, with three directors say, retiring each year, as they do on the Canadian Pacific. They would be elected free from political direction and control, because, by a joint ballot, with the ballots written or printed, you may be able to get and would in time be able to get men of light and leading and of business capacity who would give that support to the chief executive that the duties of his office require. I make that suggestion; it may not be worth anything, but I have given it after time and attention spent to ascertain some method whereby the shareholders of the Canadian National Railways, the people of Canada, might be able to make their voice felt in its management, and criticize without being held to be enemies of the system. I regard that as fatal alike to the successful administration of the property and to the interests of the Canadian people. So upon that ground, too, I submit, Mr. Speaker, we have been justified in maintaining this debate.

But there is one reason that I cannot appreciate; there is one action that has been taken that I find it difficult to follow. When was this closure moved? It was not moved until the hon. member for North Simcoe (Mr. Boys) said that when the Prime Minister came into the House we would adjourn. Since when did my hon. friends to the right desire to keep the Prime Minister out of the House? I know what was bothering my hon. friends opposite. They knew perfectly well that if the Prime Minister came into this parliament by the front door, with the Speech from the Throne not disposed of, he would have so many explanations to offer, so many Richmond Hill utterances to explain, so many Moose Jaw speeches to reiterate, that my hon. friends who sit to my left might desert him in a body and he who came in at the front door might ignominously go out at the back. I cannot but congratulate my friend the Minister of Justice (Mr. Lapointe) upon the skill and enterprise that he has shown in leading this House through the chaos that has developed during the absence of the Prime Minister, but never was his skill greater or his touch finer than when he saw to it that the closure was moved before the Prime Minister entered this House. Can one imagine the look on the faces of hon. gentlemen to the left listening to the explanations given to those who are no longer "outlaws", no longer outcasts, but have become the bosom friends of the Prime Minister? Do you remember, Sir, the great recantation of Galileo when he said: "But the world still goes round"? I can fancy the Prime Minister, after he had made his great recantation, after he had forgotten his Richmond Hill, Moose Jaw, Calgary and Edmonton speeches, resuming his seat and looking disgustedly over at the twenty-five or thirty members who sit to our left, thinking of the day when he would get along without them and saying: "They are still outlaws". Can you imagine that, Mr. Speaker? Nothing was finer than the courage which kept out of this House, until the Speech from the Throne was disposed of, the medium of communication between the Sovereign and this House.

But that is not all. Why, we have my friends to our left telling us of the glories of democracy and what they must do to maintain their high ideals in this House. I put them this question: In a moment or two you will vote. By your votes if you unite with us you will give the sovereign will of the people once more an opportunity to express itself at the polls. By voting with my hon. friends opposite for closure by force and not by debate, you will say: We have wrung from these people that which in days gone by they opposed and they who were our enemies have now become our friends. How long do you suppose you will be useful after your usefulness has gone? It is difficult to understand intelligent, high idealists, as my hon. friends to the left are, concluding that they will be more useful than an old shoe after they have served their purpose. Why, my hon. friend the Minister of Justice in moving the closure saw in a moment that he had put them into the position of voting to closure their own motion. He can hereafter say: "It was your act, not ours, because without you we could not have done it."

But there is something more important I say to my hon. friends to the left and it is this: I ventured to say it when I first spoke in this House, and I repeat it. What think you, after all, you are doing with the great democratic institutions of this country? If to-day because you have power, authority and weight in numbers and are able to throw yourselves into the balance to save our friends to the right from being destroyed, what do you think you have done to democracy? You have sacrificed your principles. You say not, but the very moment you wring from men

by force that which is not supported by the voice of the people, you have done an injury to democracy. The cry of my hon. friends to the left has always been: Let the will of the people decide. The people have never had an opportunity to decide on the measures my hon. friends are now compelling this government to give them in order that it may remain in power. No longer can my hon. friends to my left be true to their great traditions and high ideals and still support this administration. I say to them: To-night you have your chance, and if you let it go it goes forever into the darkness of the night. But I hope the light has come and we shall find my hon. friends to the left voting not with the goats but with the sheep.

Mr. C. R. McINTOSH (North Battleford): Mr. Speaker, after listening to the splendid address of the hon. member for West Calgary (Mr. Bennett) I am convinced that the time has about arrived for us to have another vote in this assembly, but before that vote takes place I would crave the attention of not only yourself, Sir, but the members of this House. The hon. member for West Calgary intimated that the Prime Minister would be kept from appearing in this chamber for a certain number of weeks. The Prime Minister of Canada, for we actually have a Prime Minister of Canada, will be in this chamber a few weeks hence. We all know how he was elected by one of the most splendid majorities in the history of Dominion politics. Before the Prime Minister comes into this assembly—and he will come in by the front door—he will be in good hands because he will be in the hands of the people of the Dominion of Canada.

The hon. member for West Calgary touched on the question of the Canadian National Railways. I have no doubt about the future of the Canadian National Railways. A railway that belongs to the people of Canada, a railway that showed an operating profit four years ago of $2,000,000, three years ago of $20,000,000, two years ago of $17,000,000 and this last year of $32,000,000, or an increase in surplus in four years of from $2,000,000 to $32,000,000, has certainly a splendid future before it if the people of Canada will give it the backing it ought to have. I congratulate the hon. member for West Calgary upon one special point he made in connection with the Canadian National Railways. I believe the railway board should be a representative one, representing every province in Canada, because in that way we can get better results in the days to come.

One of the opposition speakers, I think it was the hon. member for Cumberland (Mr. Smith), referred to the question of Maritime rights and endeavoured to show that the Liberal party and those who support it do not know what those rights mean. That is just the point: I do not believe the people of the Maritime provinces themselves know what they want. The people of the west do not know what the Maritime provinces signify. The people of Canada as a whole do not, but the policy of this government is to appoint a royal commission and have the matter investigated in order to give the facts to the Canadian people. Let us go to work and solve that problem for the benefit of a United Canada.

Mr. PRICE: What about the royal commission—

Some hon. MEMBERS: Order.

Mr. McINTOSH: The hon. member used the expression, in connection with an hon. member on this side of the House, that he was the sole surviving species of Liberalism.

Mr. SMITH: In this House, I said.

Mr. McINTOSH: That is what I said. When we have in my hon. friend the sole surviving species of Liberalism, especially when the species is an outstanding one, we can have great hope for the future. Liberalism will grow and develop, and if it will propagate ideas it will save Canada just as much as any other party in the future.

The same hon. gentlemen stated that the Mackenzie King administration lost the support and the confidence of the Canadian people on October 29. From a purely political standpoint there may be some truth in that argument; but this is a day of co-operation, and from the standpoint of political co-operation, from the standpoint of party co-operation in this House, there is nothing in the argument. Time and again during the last two months this has been demonstrated. After all the addresses we have heard, after all the speakers we have listened to—and they have been many and splendid—I have thought of an expression which was used in the early days of Canadian development. When the Canadian Pacific railway project was in its early stages; when there was doubt whether the road would be built, and when it was thought that if built it would be a failure, that financially it would not be what it ought to be for the Dominion, leaders on both sides of politics in those days were decrying the proposal. Many prominent Liberals and Conservatives thought the Canadian Pacific railway might not be a success. Others thought otherwise. The Hon. Edward Blake, in an article on the Canadian Pacific railway,

concluded with the statement that the Canadian Pacific railway when it would be built would be lost in a sea of mountains. That is, that when the Canadian Pacific railway should wind its way from east to west, from our great chain of inland seas, lakes and rivers across the great divide between Ontario and Manitoba, over the prairies and on to the Pacific coast, it would be to a certain extent a failure on account of the mountains between the prairies and the coast. So to-day in listening to the many addresses in this House I have thought that hon. members of the opposition and their arguments have been lost, if not in a sea of mountains, in a sea of majorities.

An hon. MEMBER: Where are they?

Mr. McINTOSH: Now, what about majorities in connection with the work of the House since this session opened? Parliament was convened on January 7 and officially opened on January 8. The first real debate we had in the House was on the question of the right of the government to carry on. Our opposition friends said: "You are violating all the principles of parliamentary procedure, all the principles of parliamentary life, all the rights of parliament." They said that the Liberal government was not a real committee of the House and consequently was not competent to carry on. That debate lasted a week, and upon its conclusion the government had a majority of three, the vote being 123 to 120. That is one majority in which the contention of our friends opposite was upset. Then another majority was given on February 1, when the protectionist amendment of the right hon. leader of the opposition (Mr. Meighen) was lost on a vote of 125 to 115, being a majority of ten against the loyal opposition of the day. Then we had another vote on February 2, on a motion to adjourn the debate. That motion was negatived by a vote of 124 to 114, another majority of ten. We had another vote on February 2 to adjourn the House, the government being sustained by a vote of 119 to 118, a majority of one. Then on February 5 we had two votes in connection with the adjournment to March 15. On one vote the figures were 119 to 112, a majority of seven. Then we had the vote on the main motion, and the figures were 120 to 112, another majority against the opposition in this House. Then on February 8 we had the Speaker's ruling upheld by a vote of 87 to 71, the government having a majority of sixteen. On February 16 the Australian treaty amendment, as it might be called, was defeated in this House by a vote of 119 to 108, a majority of eleven, and then we had the closure motion upheld in this House to-day by a vote of 108 to 95, one of the best majorities we have had during this session. The fact that our majority was thirteen will not prove unlucky, because politically the number 13 is said to be a very lucky number. The result of the different votes in the House gave the government a majority on the different dates as follows:

	Government majority
January 15	3
February 1	10
February 2	10
February 2	1
February 5	7
February 5	8
February 8	16
February 16	11
March 2	13

In all we have had a majority of 79, or an average majority on every motion brought up in the House of approximately nine.

Then we have our opposition friends going around the country and talking in such a way as to create the impression that they should constitute the government. Why, if they organized a government and the right hon. leader of the opposition became the leader of that government to-morrow, co-operatively speaking, having regard to the majorities I have mentioned, he could not hold office. The consequence would be that there would have to be another general election, and if there were another general election the chances of the Conservative party would not be improved.

An hon. MEMBER: Let us have it.

Mr. McINTOSH. You will get it when the time comes. In respect to the question of closure, I believe that the introduction of closure at the present time can be justified. This House has been in session for two months. We have talked and talked. I believe the general opinion of the country is that all parties in this House have talked too much during the last two months. I believe the wish of the people of Canada and the verdict of the people of Canada, if you could get it, would be for this government to get down to business.

Some hon. MEMBERS: Hear, hear.

Mr. McINTOSH: My hon. friends on the other side pound their desks, but I know the thought I am giving expression to is the one that they have in common among themselves, and with their co-operation and the co-operation of all parties it may not be a difficult

matter to get down to business. I believe the majority should rule, and since I have proved that on every occasion when the vote was taken in this House the ministerial party have had a majority, we have a perfect right to introduce closure, to put the clamps on the opposition and to say: "Now is the time for this parliament to clear the decks for action, bring down the programme of the government and introduce legislation to carry out that programme."

There is another reason why the closure should be upheld at the present time. I believe the Speech from the Throne involves policies which will redound to the glory of Canada, and when we analyze the programme question by question we shall find that the legislation which it foreshadows will prove, when enacted, the best that has been passed in this Dominion during the last quarter of a century. The leader of the opposition (Mr. Meighen) not very long ago, in referring to this portion of the House, characterized it as the Saskatchewan colony. Well, I am proud to belong to the province of Saskatchewan; I am proud to come from that sunny part of the Dominion, the land of the west where Canadian development is taking place on such a large scale and where perhaps the destiny of Canada lies to a greater extent than in any other part of the country. Let me tell the right hon. gentleman that, whether the Saskatchewan members constitute a colony in this House or not, that colony has performed a very useful service in supporting this government. Without the support of the members from Saskatchewan it would not be possible for the government to carry on to-day, and I believe that with the combined efforts of Quebec and Saskatchewan, two of the banner provinces of Canada, we can go forward and realize those high ideals of Liberalism and national progress which will make Canada a great and prosperous nation.

Before I conclude there is just one point I wish to touch upon. From the standpoint of colonial development Saskatchewan has proved most successful. The old Tory idea of colonial development was that Canada existed for the profit of the Motherland; it was a land of snow and ice and of forests, and in the early days at any rate the prevalent notion among Tories was that Canadian development was synonymous with the profit of the empire. We have got beyond that stage of thinking; we are to-day a free nation within the British Empire. Canada, if it is properly developed, has a great future before it. Tories of old had the idea that she would never enjoy the political rights which are hers to-day; but Canada has gone on and prospered, and I believe that the province of Saskatchewan will play an increasingly important part in the future development of this Dominion.

In closing, may I express the hope that after this test vote is taken to-night and we return to our homes for a week or so we shall come back later on prepared to enact such legislation as will be a credit to this House and to the country as a whole.

Mr. THOMAS McMILLAN (South Huron): In the midst of this river of discussion, "a little nonsense now and then is relished by the best of men". I have heard so many members on the floor of this House say that their homes are in the province of Nova Scotia that I have naturally recalled the occasion of Sir Wilfrid Laurier's first visit to the west. He was entertained at Ladner's Landing, on the delta of the Fraser, by a warm friend of my own named William Ladner. In the course of that function, acting as host, he told the gathering which included Sir Wilfrid and another good friend, Mr. D. C. Fraser, afterwards Lieutenant Governor of Nova Scotia, that if they wanted to see the finest country in the world they had only to go outdoors, where they would behold land, that would produce 14,000 bushels of wheat to the acre. Mr. Fraser at once declared, "We had some liars in Nova Scotia but I never knew that any of them had settled here."

In my opinion the application of closure in this discussion has not come before its time. Many of us consider that it was due weeks ago; but possibly it is well that hon. gentlemen opposite have been allowed to go the limit, in an almost continuous exhibition of their policy of obstruction,—a scene, tragic to the Tory party,—a scene deeply expressive, in almost every Tory countenance, of those momentous words, "so near and yet so far". You, Mr. Speaker, may be able to recall the famous expression of a one time respected member of this House, uttered in true Irish brogue, that a Tory out of office was like a she bear deprived of her cubs. Well, Sir, this House has fully demonstrated that the Tory party, at bay on the floor of parliament, is even worse than that. But every unjust accusation, every epithet hurled across the floor in their desperation, both ungenerous and uncalled for, has been met by that feeling which is conscious of the right and that quiet dignity of reserve which will always appeal to the best judgment of the House and of the country.

To think that the once great Conservative party, that party which has always plumed itself on the possession of a monopoly in its loyalty to the crown, is now represented by a class of men in this parliament who make

themselves ridiculous by refusing to allow even an expression of thanks to the crown for the gracious speech which His Excellency has been pleased to convey to us. At all times it is the duty of every member to uphold and maintain the dignity of parliament. We have seen too much in the public press. Too much has fallen from the lips of hon. gentlemen opposite, who by their words have shown themselves unworthy of those they would revile. Never was any body of independent representatives less open to such sordid charges. These men from the west, both Liberal and Progressive, represent the very soul of honour and they have the highest conception of the duties and responsibilities of their position. As befits the great section of the country from which they come, they are not narrow or circumscribed in their opinions; they are like the rest of us here, endeavouring to do their duty, and in doing so they ally themselves with men of vision, men of high purpose, that together we may maintain Canada on that great highway which will lead to a just realization of the possibilities that lie before us.

Sir, the hon. member for Toronto Northwest (Mr. Church) pulled off a good joke the other night in his reference to Mr. Mackenzie King's ability as an angler after Progressive support, and also to the unavailing efforts of the hon. member for South Wellington (Mr. Guthrie) and the hon. member for Winnipeg South (Mr. Rogers), and to the fact that the Hon. Manning Doherty had been down here for a whole month fishing and never got a bite. The hon. member gave Mr. Mackenzie King credit for being the only expert angler in the bunch. But, Sir, one weakness of the hon. gentleman's reference lies in the fact that he did not go far enough; he did not complete the picture; if he had done so, the mystery would have vanished, and the whole picture would be as clear as the noonday sun. When these hon. gentlemen were busy fishing they were not fishing for themselves, they were fishing for their leader, the right hon. member for Portage la Prairie (Mr. Meighen), and in their sport they mistook the calibre of their game. They thought the Progressives were men of their own calibre, and so they loaded their hooks with Arthur Meighen-Hugh Guthrie-Bob Rogers-Manning Doherty bait. But it was the wrong kind of bait. No wonder they dropped their fishing in disgust. They now know to their sorrow that they might have fished till doomsday and never have caught any of the fish they were after with that bait. Mr. Mackenzie King had nothing to do with the fishing. His only duty was to provide the right kind of bait. It was the leader of the House (Mr. Lapointe) who loaded his hook with the right kind of bait, with "Mackenzie King bait," otherwise known as the "best-interests-of-Canada" bait. And he went off in his own jolly way, and by his continuously overflowing good nature was able not only to squash the opposition but to captivate this House so that he has to-day behind him and across the way more loyal support than any government has had in years, a support that will be continued so long as the government do their duty. It is the earnest hope, it is the feeling deep down in the heart of every member on this side of the House, including the members of the cabinet, that the government will go forward and do their duty—do it as they have done in days gone by, with honour to themselves and benefit to the country.

The House divided on the motion (Mr. Bird), which was agreed to on the following division:

YEAS

Messrs:

Baldwin,
Beaubien,
Benoit,
Bettez,
Bird,
Boivin,
Bothwell,
Bouchard,
Boucher,
Boutillier,
Brown,
Cannon,
Cardin,
Carmichael,
Casgrain,
Coote,
Delisle,
Denis (St. Denis),
Denis (Joliette),
Desaulniers,
Descoteaux,
Deslauriers,
Dionne,
Donaghy,
Dubuc,
Dussault,
Elliott,
Evans,
Evanturel,
Fafard,
Fansher,
Fiset (Sir Eugene),
Forke,
Fournier,
Gardiner,
Garland (Bow River),
Gervais,
Girouard,
Goodison,
Goulet,
Guérin,
Hall,
Heaps,
Heenan,
Howard,
Howden,
Jacobs,
Jelliff,
Johnston (Long Lake),
Kay,
Kennedy (Peace River),
King (Huron North),
King (Kootenay East),
Lacombe,
Lanctot,
Langlois,
Lapierre,
Lapointe,
Lavigueur,
Letellier,
Lovie,
Macdonald (Glengarry),
MacLean (Prince),
McLean (Melfort),
MacPhail (Miss),
McIntosh,
McKenzie,
McMillan,
McPhee,
Malcolm,
Marcil,
Mercier (Laurier-Outremont),
Mercier (St. Henri),
Millar,
Morin (Bagot),
Morin (St. Hyacinthe-Rouville),
Motherwell,
Neill,
Parent,
Perras,
Pouliot,
Power,
Prévost,
Raymond,
Rhéaume,
Rinfret,

Robb,
Roberge,
Robichaud,
Robitaille,
Ross (Moose Jaw),
Sanderson,
Séguin,
Spence (Maple Creek),
Spencer,
Steedsman,
Stewart, (Edmonton West),
Stork,
Sylvestre,
Tobin (Richmond-Wolfe),
Tobin (Wetaskiwin),
Totzke,
Vallance,
Verville,
Ward,
Woodsworth,
Young (Saskatoon),
Young (Weyburn).—108.

NAYS

Messrs:

Anderson (Toronto High Park),
Anderson (Halton),
Armstrong (Timiskaming South),
Armstrong (Lambton East),
Arthurs,
Baker,
Bell (Hamilton West),
Bell (St. Antoine),
Bennett,
Black (Yukon),
Black (Halifax),
Bowen,
Boys,
Bristol,
Bury,
Cahan,
Cantley,
Casselman,
Chaplin (Kent, O.),
Chaplin (Lincoln),
Charters,
Church,
Clark,
Cotnam,
Culligan,
Dickie,
Doucet,
Drayton (Sir Henry),
Duncan,
Edwards (Waterloo South),
Edwards (Frontenac-Addington),
Embury,
Esling,
Fish,
Flemming,
Fraser,
Garland (Carleton),
Geary,
Gott,
Grimmer,
Guthrie,
Hamilton,
Hannesson,
Harris,
Hay,
Hocken,
Hubbs,
Johnstone (Cape Breton North-Victoria),
Kaiser,
Kennedy (Winnipeg South Centre),
Ladner,
Lennox,
MacDonald (Cape Breton, South),
Macdonald (Richmond-West Cape Breton),
MacLaren,
Maclean (York South),
MacNutt,
McClenaghan,
Macdougall,
McGibbon,
McKillop,
McQuarrie,
Maloney,
Manion,
Maybee,
Meighen,
Messervy,
Mewburn,
Morand,
Mullins,
Murphy,
Nicholson,
Peck,
Perley (Sir George),
Pettit,
Preston,
Price,
Quinn,
Rogers,
Ross (Kingston City),
Rowe,
Ryckman,
Ryerson,
Senn,
Short,
Simpson,
Sinclair,
Smith,
Smoke,
Spence (Parkdale),
Stansell,
Stevens,
Stewart (Leeds),
Stinson,
Stirling,
Sutherland (Oxford South),
Sutherland (Oxford North),
Thompson,
Tummon,
White (Mount Royal),
Wilson (Wentworth),
Wright.—95.

PAIRS

(The list of pairs is furnished by the chief whips.)

Messrs:

Jenkins,	Macdonald (Kings),
Macdonald (Antigonish-Guysborough),	Hanson,
Hatfield,	Jones,
Donnelly,	Barber,
Lacroix,	Robinson,
Duff,	Foster,
Gershaw,	Davis,
Cross,	Tolmie,
Wilson (Vaudreuil-Soulanges),	White (London),
Laflamme,	Langworthy,
Euler,	Hodgins,
St-Père,	Bell, (St. John-Albert),
Cahill,	O'Neill.

Mr. BOURASSA (Translation): Mr. Speaker, before the House divides on the main motion I wish to state that, in order to accommodate the hon. member for Red Deer (Mr. Speakman), I paired with him, otherwise I would have voted against the amendment.

Mr. JENKINS: I was paired with the hon. member for Kings (Mr. Macdonald). Had I voted I would have voted for the amendment.

Mr. FONTAINE (Translation): I was paired with the hon. member for Ottawa (Mr. Chabot). Had I voted I would have voted for the amendment.

Mr. DONNELLY: I was paired with the hon. member for Fraser Valley (Mr. Barber). Had I voted I would have voted for the amendment.

Mr. MACDONALD (Antigonish-Guysborough): I was paired with the hon. member for York-Sunbury (Mr. Hanson). Had I voted I would have voted for the amendment.

Mr. O'NEILL: I was paired with the hon. member for Pontiac (Mr. Cahill). Had I voted I would have voted against the amendment.

The House divided on the motion (Mr. Elliott) which was agreed to on the following division:

YEAS

Messrs:

Baldwin,	Brown,
Beaubien,	Campbell,
Benoit,	Cannon,
Bettez,	Cardin,
Bird,	Carmichael,
Boivin,	Casgrain,
Bothwell,	Coote,
Bouchard,	Delisle,
Boucher,	Denis (St. Denis),
Bourassa,	Denis (Joliette),
Boutillier,	Desaulniers,

Descoteaux,
Deslauriers,
Dionne,
Donaghy,
Dubuc,
Dussault,
Elliott,
Evans,
Evanturel,
Fafard,
Fansher,
Fiset (Sir Eugene),
Forke,
Fournier,
Gardiner,
Garland (Bow River),
Gervais,
Girouard,
Goodison,
Goulet,
Guérin,
Hall,
Heaps,
Heenan,
Howard,
Howden,
Jacobs,
Jelliff,
Johnston (Long Lake),
Kay,
Kennedy (Peace River),
King (Huron North),
King (Kootenay East),
Lacombe,
Lanctot,
Langlois,
Lapierre,
Lapointe,
Lavigueur,
Letellier,
Lovie,
Lucas,
Macdonald (Glengarry),
MacLean (Prince),
McLean (Melfort),
MacPhail (Miss),
McIntosh,
McKenzie,
McMillan,
McPhee,
Malcolm,
Marcil,
Mercier (Laurier-Outremont),
Mercier (St. Henri),
Millar,
Morin (Bagot),
Morin (St. Hyacinthe-Rouville),
Motherwell,
Neill,
Parent,
Perras,
Pouliot,
Power,
Prévost,
Raymond,
Rhéaume,
Rinfret,
Robb,
Roberge,
Robichaud,
Robitaille,
Ross (Moose Jaw),
Sanderson,
Séguin,
Spence (Maple Creek),
Spencer,
Steedsman,
Stewart, (Edmonton West),
Stork,
Sylvestre,
Tobin (Richmond-Wolfe),
Tobin (Wetaskiwin),
Totzke,
Vallance,
Verville,
Ward,
Woodsworth,
Young (Saskatoon),
Young (Weyburn).—111.

NAYS

Messrs:

Anderson (Toronto High Park),
Anderson (Halton),
Armstrong (Timiskaming South),
Armstrong (Lambton East),
Arthurs,
Baker,
Bell (Hamilton West),
Bell (St. Antoine),
Bennett,
Black (Yukon),
Black (Halifax),
Bowen,
Boys,
Bristol,
Bury,
Cahan,
Cantley,
Casselman,
Chaplin (Kent, O.),
Chaplin (Lincoln),
Charters,
Church,
Clark,
Cotnam,
Culligan,
Dickie,
Doucet,
Drayton (Sir Henry),
Duncan,
Edwards (Waterloo South),
Edwards (Frontenac-Addington),
Embury,
Esling,
Fish,
Flemming,
Fraser,
Garland (Carleton),
Geary,
Gott,
Grimmer,
Guthrie,
Hamilton,
Hannesson,
Harris,
Hay,
Hocken,
Hubbs,
Johnstone (Cape Breton North-Victoria),
Kaiser,
Kennedy (Winnipeg South Centre),
Ladner,
Lennox,
MacDonald (Cape Breton, South),
Macdonald (Richmond-West Cape Breton),
MacLaren,
Maclean (York South),
MacNutt,
McClenaghan,
Macdougall,
McGibbon,
McKillop,
McQuarrie,
Maloney,
Manion,
Maybee,
Meighen,
Messervy,
Mewburn,
Morand,
Mullins,
Murphy,
Nicholson,
Peck,
Perley (Sir George),
Pettit,
Preston,
Price,
Quinn,
Rogers,
Ross (Kingston City),
Rowe,
Ryckman,
Ryerson,
Senn,
Short,
Simpson,
Sinclair,
Smith,
Smoke,
Spence (Parkdale),
Stansell,
Stevens,
Stewart (Leeds),
Stinson,
Stirling,
Sutherland (Oxford South),
Sutherland (Oxford North),
Thompson,
Tummon,
White (Mount Royal),
Wilson (Wentworth),
Wright.—102.

PAIRS

(The list of pairs is furnished by the chief whips.)

Messrs:

Jenkins,	Macdonald (Kings),
Macdonald (Antigonish-Guysborough),	Hanson,
Hatfield,	Jones,
Donnelly,	Barber,
Lacroix,	Robinson,
Duff,	Foster,
Gershaw,	Davis,
Cross,	Tolmie,
Wilson (Vaudreuil-Soulanges),	White (London),
Laflamme,	Langworthy,
Euler,	Hodgins,
St-Père,	Bell (St. John-Albert),
Cahill,	O'Neill.

Mr. FONTAINE (Translation): I was paired with the hon. member for Ottawa (Mr. Chabot). Had I voted I would have voted for the motion.

Mr. DONNELLY: I was paired with the hon. member for Fraser Valley (Mr. Barber). Had I voted I would have voted for the motion.

Mr. O'NEILL: I was paired with the hon. member for Pontiac (Mr. Cahill). Had I voted I would have voted against the motion.

On motion of Mr. Lapointe, seconded by Mr. Robb, it was ordered that the Address be engrossed and transmitted to His Excellency the Governor General by such members of the House as are of the honourable the Privy Council.

On motion of Mr. Lapointe the House adjourned at 12.25 a.m. (Wednesday), until Monday, the fifteenth of March, at three o'clock.

Monday, March 15, 1926

The House met at three o'clock.

WEST MIDDLESEX—VACANCY

Mr. SPEAKER: I have the honour to inform the House that I have received notification of a vacancy having occurred in the representation of the electoral district of Middlesex West, in the province of Ontario, consequent upon the acceptance by the sitting member therefor of an office of emolument under the crown. I have accordingly issued my warrant to the Chief Electoral Officer for the issue of a writ.

PRIME MINISTER

CERTIFICATE OF ELECTION

Mr. SPEAKER: I have the honour to inform the House that the Clerk of the House has received from the Chief Electoral Officer a certificate of the election and return of the Right Hon. William Lyon Mackenzie King for the electoral district of Prince Albert.

INTRODUCTION

Right Hon. William Lyon Mackenzie King, Prime Minister, member for the electoral district of Prince Albert, introduced by Hon. Ernest Lapointe and Hon. W. R. Motherwell.

ROUYN RAILWAY

Hon. J. A. ROBB (Minister of Finance): I beg to lay on the table of the House copy of the lease of the Rouyn Mines Railway Company to His Majesty the King, executed February 10, 1926.

ESTIMATES FOR 1926-7

Messages from His Excellency the Governor General transmitting main and supplementary estimates for the year ending March 31, 1927, were presented by Hon. J. A. Robb, Minister of Finance and read by the Speaker to the House.

SUPPLY

Hon. J. A. ROBB (Minister of Finance) moved:

That this House will on Tuesday next resolve itself into a committee to consider of a supply to be granted to His Majesty.

Motion agreed to.

WAYS AND MEANS

Hon. J. A. ROBB (Minister of Finance) moved:

That this House will to-morrow resolve itself into a committee to consider of the ways and means for raising the supply to be granted to His Majesty.

Motion agreed to.

Hon. Mr. ROBB moved:

That the message of His Excellency and the estimates be referred to the committee of Supply.

He said: May I, Mr. Speaker, explain that this motion refers only to the main estimates? The estimates for the Canadian National Railways, following the procedure of last session, will be referred later by the Minister of Railways (Mr. Dunning) to a special committee.

Sir HENRY DRAYTON: I assume that we will find them in this book?

Mr. ROBB: I will give them to my hon. friend.

Motion agreed to.

CUSTOMS INQUIRY

CHANGE IN PERSONNEL OF SPECIAL COMMITTEE

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I beg to move, seconded by Mr. Lapointe:

That the name of Mr. Goodison be substituted for that of Mr. Elliott on the special committee appointed to investigate and report upon the administration of the Department of Customs and Excise.

Motion agreed to.

LOCARNO TREATY

On the Orders of the Day:

Mr. HENRI BOURASSA (Labelle): Mr. Speaker, now that we have the Prime Minister with us—whom I am happy to welcome to this House—I should like to put a question to the government. During the recess a Canadian Press cable appeared in the press in the following terms—I quote this from the Montreal Gazette of March 9:

Labour members of the House of Commons heckled Lieut.-Col. L. C. Amery, Secretary of State for Dominion Affairs, at to-day's session concerning the publishing of the dominion's opinions in regard to Locarno treaties. Colonel Amery fenced his questioners skilfully, and stated that publication must depend somewhat on the feeling of the dominions themselves. If the dominions were willing he must then consult with the Foreign Secretary.

Colonel Amery finally announced that the treaties would be fully discussed at the Imperial Conference to be held in October leaving the impression that he had little intention of revealing beforehand what had already passed between Whitehall and the dominions.

The Prime Minister was not in the House at the beginning of the session when I requested the leader of the House, the Minister of Justice (Mr. Lapointe), to have this correspondence laid on the table as soon as possible, to enable intelligent consideration of the question by the members of this House. Later on, if I remember rightly, the hon. Minister of Justice stated that the government had not yet heard from London whether or not the

correspondence should be published. If this despatch gives a correct resumé of the answer of the Secretary of State for Dominion Affairs, it would appear that the objection has come from some of the dominions, although neither Canada nor any other of the dominions is mentioned. I should like to ask the Prime Minister, if he has no objection, to enlighten the House on the subject, so we may know whether or not the objection has arisen in London or has come from some of the overseas dominions that the correspondence should not be revealed to the so-called sister nations before it has been looked into by the small close chamber in London, next fall.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, before I reply to my hon. friend's question, perhaps I may be permitted to thank him for his cordial words of welcome?

I anticipated that this question might be asked to-day, and having in mind the importance of avoiding any misunderstanding with respect to the answer to be given, I deemed it advisable to communicate in the first instance with the Prime Minister of Great Britain and intimate to him the reply which the government intended to make to the question should it be asked. As the hon. member has just stated, my colleague the Minister of Justice informed the House that we were in communication with the British government and had requested that we should be permitted to bring down the correspondence. The British government thought it unwise to have the correspondence produced. Under the circumstances it seemed to our government advisable that the reasons therefor should be expressed in terms to be agreed upon between the British government and ourselves.

I shall therefore ask the House to pardon me if I read the reply which I propose to make to my hon. friend's question, and which reply in form and substance is that agreed to by the Prime Minister of Great Britain and myself:

Following the request made in parliament for publication of the correspondence exchanged between the British and Canadian governments on the subject of the treaties of Locarno, including the preceding negotiations, the adoption of the treaties and any exchange of views upon the adhesion of the dominions, we advised the British government that the Canadian government was prepared to accede so far as any communications on its part were concerned, and asked to be informed of the views of the British government as to the publication of its despatches. We are informed by the British government that they do not see their way to consent to the publication of their despatches, as they were of a detailed character, covering many phases of the negotiations and in many cases containing confidential information as to the views of foreign governments. The British government considers that the publication of this correspondence would be prejudicial to future free interchange of opinion, whether with foreign governments or between the different governments of the empire. Without prejudice to the position that in general it is advantageous to make public as much as possible of such exchanges of opinion, we are prepared to agree that in this instance the objection of the British government to the publication of despatches embodying conversations with foreign governments is well taken. The British government has agreed to the publication of that part of the correspondence which relates to the proposal to hold an Imperial conference in October, 1926.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Can I secure from the government to-day any statement as to its policy with respect to adherence to the Locarno treaty?

Mr. MACKENZIE KING: Mr. Speaker, I think on reflection my right hon. friend will perhaps agree that it would be better to take up the Locarno matter at a stated time, and that time some time other than that at which the League of Nations is holding its assembly in Geneva. I do not know that my remark applies so much to a statement of the government's policy as it does to possible debate and comment that might arise upon it, and for that reason I intend later in the day, should we reach Motions, to ask my hon. friend from Winnipeg North Centre (Mr. Woodsworth) not to proceed with the first motion standing in his name. As my right hon. friend well knows, the conference at Geneva is not likely to occupy more than a few days longer, and I think it is inadvisable that any comment should take place either in this House or in the press of the country at the present time which might directly or indirectly have a bearing upon the proceedings there.

Mr. MEIGHEN: I am in entire agreement with the Prime Minister as to the wisdom of deferring discussion in view of probable differences of opinion that would occur. I cannot see the bearing though of the present critical situation at Geneva upon the announcement of the government's intention, because doubtless the British government knows the government's intention in that respect—at least, I presume it does.

BUTTER TARIFFS

On the Orders of the Day:

Hon. S. F. TOLMIE (Victoria, B.C.): Mr. Speaker, while the tariff on butter entering Canada from the United States is some 4 cents a pound, I noticed in the press recently that the United States has raised the tariff on butter entering from Canada from 8 cents to 12 cents a pound. What does the government intend to do under the circumstances?

Hon. J. A. ROBB (Acting Minister of Trade and Commerce): Mr. Speaker, the price of butter in Canada to-day is higher than it has been for some years, and the tariff against United States butter has not been altered for some years.

CHICAGO DRAINAGE CANAL

On the Orders of the Day:

Hon. EDMUND BRISTOL (Toronto East Centre): Mr. Speaker, I wish to call the attention of the government and the House to a short quotation from the Buffalo Evening News in reference to the diversion of water by the Chicago authorities, containing an attack that is apparently being made on this government and the Dominion in respect to the matter. Under date of March 10 the following despatch was sent from Washington:

> A resolution offered by Mr. Gorman recites that "the government of Canada and certain Canadian water-power interests had erroneously contended that the water is unlawfully withdrawn."

They are undertaking an investigation according to this paragraph:

> A joint resolution providing for an investigation of the right of Chicago to divert water from lake Michigan was introduced in the House to-day.
>
> The investigators would be empowered to inquire into the activities of public officials and their associates who are "directly or indirectly receiving remuneration from Canadian authorities for disseminating false propaganda against Chicago's diversion of water."

The despatch continues:

> "The report is current," the resolution said, "that this erroneous Canadian propaganda is being disseminated and kept alive in the United States by public officials, who themselves or through professional and business associates are receiving remuneration for their services from water-power and other interests of Canada.

Will the Prime Minister or the Minister of the Interior (Mr. Stewart) enlighten the House with respect to this matter?

Hon. CHARLES STEWART (Minister of the Interior): Mr. Speaker, I have not had my attention directed to the article in question, but I can assure the House that so far as I am aware no officials of this government are giving out any information whatever. If the officials of the American government are in receipt of moneys from water-power interests in Canada, I assure my hon. friend that this is certainly not with the knowledge or consent of this government.

Hon. R. J. MANION (Fort William): With further reference to the question of the hon. member for Toronto East Centre (Mr. Bristol), I should like to ask the Minister of the Interior (Mr. Stewart) in view of the fact that Canada is as much interested in the diversion at Chicago as are those states which are fighting Chicago before the Supreme Court of the United States, and in view of such statements published in the press as those quoted by the hon. member for Toronto East Centre, has the Canadian government any representative present at these proceedings to look after Canada's interests and to see that Canada also backs up the opposition to the steal which Chicago is carrying on?

Mr. STEWART (Edmonton): We cannot be officially represented, but we are watching every move that is made. The government is being kept fully informed of all the proceedings whether before the Supreme court, in congress or elsewhere, but we are not offically represented.

PERSONNEL OF CABINET

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Mr. Speaker, I wish to ask the Prime Minister, now that he has returned—and whom I am also pleased to welcome with a welcome which will be all the more sincere if we are able to get the information I ask for—if he is able to tell the House now the intention of his government or rather of himself with respect to the filling of ministerial portfolios, and especially as to whether Hon. Mr. Marler, Hon. Mr. Massey and Hon. Mr. Sinclair are still members of his government, and if not, when they ceased to be such. Not omitting the particularity of that question, I wish to add the general question again, what does the government purpose to do with regard to the vacant portfolios?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I first of all should like to thank my right hon. friend for his welcome. If it is pleasing to him to see me back, I can assure him it is also very pleasing to myself to be sitting opposite to him again. In regard to the question which my right hon. friend has asked, he will probably have observed that the government is

proceeding fairly rapidly and fairly satisfactorily with the filling of the vacant portfolios. I am pleased to be able to stand here as one minister of the crown, who, having been defeated, has been again returned. I hope that to-morrow it may be possible to announce that another minister has been returned; if not to-morrow, possibly a week hence. Within a fortnight I hope it will be possible to announce that a third minister has been returned. I believe there are five vacancies altogether, or rather that at the beginning of the session there were five vacancies, the remaining two, namely the portfolio of Minister of Trade and Commerce and that of Minister of Immigration and Colonization we hope will be filled in due course. I might say to my right hon. friend that at the time of his administration, just prior to the time at which the present government took office in December, 1921, there were eighteen portfolios which had been filled by ministers. We thought it advisable to reduce the number of portfolios, and that number was reduced to sixteen. We have felt that this is an opportune moment to make a further reduction in the number of portfolios, and a reduction will be made from sixteen to fourteen. It is intended to have the Department of the Secretary of State assigned to the hon. the Minister of Justice. The Department of Soldiers' Civil Re-establishment and Health will be assigned to a minister in charge of one of the other departments of the government; of this I shall make a further announcement later.

With respect to the ministers without portfolio who have been mentioned by my right hon. friend, I would say that none of the ministers without portfolio continued to be members of the government for any length of time after the recent general election. Before this parliament met all the ministers without portfolio had requested that they should no longer be invited to come to council, and they have not been so invited since parliament has been in session. The one exception I should make respecting the sending of notices to Privy Councillors other than those with or without portfolios is that of the Minister who formerly held the position of Minister of Railways and Canals, the Right Hon. Mr. Graham. I have asked Mr. Graham to consent to continue to be present at the proceedings of council, and this request he has kindly complied with. I think I have answered my hon. friend's question. If there is any point I have omitted I shall be glad to endeavour to supply the information.

[Mr. Meighen.]

Mr. MEIGHEN: I want to be quite clear. I understand from the Prime Minister that the three ministers without portfolio referred to have not been members of the government since the general election?

Mr. MACKENZIE KING I would not say since the general election; I would say that subsequent to the general election and prior to the meeting of parliament they retired from the government as ministers.

TRADE TREATIES

EFFECT OF DEPRECIATED CURRENCIES OF FRANCE AND BELGIUM

On the Orders of the Day:

Mr. L. J. LADNER (Vancouver South): Mr. Speaker, I rise to ask if the government has recently passed an order in council, the effect of which is to bring France and Belgium in the class of Germany and Russia with respect to depreciated currency. Then I want to ask if that has any effect on the trade treaties with France and Belgium.

Hon. GEORGE H. BOIVIN (Minister of Customs and Excise): In answer to my hon. friend I would say that no order in council has been passed by this government concerning any importation of goods from France or Belgium since I have become a member thereof. A memorandum was issued by the Department of Customs on the 15th of February giving effect to the provisions of subsection two of section 40 of the Customs Act. This subsection provides that in connection with goods imported from countries where the value of the currency is substantially depreciated, the value for duty purposes shall be the same as the value of similar goods manufactured in England. If they are not manufactured in England then the value is to be that of similar goods manufactured in a European country where the currency is not depreciated. The only instructions given by the department to our officers throughout the country were to consider as substantially depreciated the currency of those countries which has been reduced in value more than 50 per cent.

Mr. LADNER: Mr. Speaker, if I may ask another question, is there not an order in council of February 12 bearing on this question?

Mr. BOIVIN: No.

GERMAN REPARATIONS

On the Orders of the Day:

Hon. ERNEST LAPOINTE (Minister of Justice): Mr. Speaker, on March 2 the hon.

member for West York (Sir Henry Drayton) inquired about the payment of claims for German reparations, and I promised to supply the information to him. I have asked the Acting Secretary of State to prepare a memorandum on the matter, which I desire to read.

On the 2nd of March, Sir Henry Drayton (p. 1493 of Hansard) inquired in the House of Commons what progress is being made in the payment of claims for "German reparation."

There is a great deal of public misunderstanding respecting reparation. The term "reparation" is very loosely used. In fact it is used by many persons as a term to describe different subjects which have no relation to one another.

Under the treaty of Versailles it was provided:

1. That a clearing office would be established for the purpose of disposing of prewar debts between Canadians and Germans;

2. That Canada might retain and liquidate German property in Canada, the amount thereof, after specified deductions, to be credited to Germany on the claim which Canada has against Germany for reparation;

3. That owners of Canadian property in Germany which was sequestrated or dealt with under German war legislation should be compensated, and that the amount of compensation should be charged against the proceeds of German property in Canada. All claims of this nature have been paid. These payments, no doubt, are in the minds of those who speak about reparations and their payment.

4. The treaty further provided that Germany should pay Canada reparation for losses sustained during the war by the civil population in Canada. This reparation is to be paid to the Canadian government, and not to Canadian individuals who suffered loss. It was originally intended under the treaty that the losses sustained by the civil population should be the measure of the amount which Germany should pay to the Canadian government. It is not contemplated by the treaty, and it never was intended, that individual claimants should receive any payment. The claims were filed in the first place for the purpose of enabling the Canadian government to ascertain how much Germany should be called upon to pay Canada. However, they were never used for this purpose, because the amount to be paid by Germany to Canada was otherwise fixed, at the Spa conference and at the Imperial conference in London.

The proceeds of the liquidation of German property in Canada cannot, however, be used to pay the war losses of individual Canadians, although this is the idea that many people seem to have.

There is no relation whatever between the first three of the above subjects and the last. The clearing office, German property in Canada, and Canadian property in Germany are dealt with in two associated parts of the treaty which have no relation to claims of the civil population in Canada for war losses. Although these claimants have no claim against any fund or against any government, in England they were allowed "compassionate compensation."

In December, 1921, Chief Justice Sir Douglas Hazen was appointed commissioner to investigate the claims for losses by the civil population which had been filed, and to report to the government thereon.

Neither at that time nor at any time since was any money voted or otherwise provided for the payment of these claims, and there is no fund available now.

Sir Douglas Hazen did not report thereon. In 1922 the late the Honourable Dr. Pugsley was appointed commissioner. He died without making a report. Mr. James Friel, K.C., of Moncton, was subsequently appointed, and he is now considering and dealing with these claims.

At the last session of parliament a resolution was introduced as the basis of a bill to provide that the moneys accruing to Canada under the London convention of 1924, which adopted the Dawes plan for payment of reparations by Germany, should be set aside to be distributed amongst those claimants to the extent of the amount found for each by the Canadian commissioner. This resolution was not adopted by parliament and was withdrawn. Payment of the claims might have been provided for in this way, but parliament did not see fit to provide any money for payment, and no payment of the claims can be made except from moneys voted by parliament for this specific purpose.

SHIPMENT OF CATTLE TO GREAT BRITAIN

On the Orders of the Day:

Mr. H. A. MULLINS (Marquette): In view of the fact that a number of the regular boats carrying cattle have been taken off, I would like to ask if the government are making any provision for cargo space for the movement of cattle from Canada. The situation is very serious, with large numbers of feed cattle ready to move. A number of these boats have been put into drydock by the regular lines, and I think the government should do something to facilitate the movement of cattle.

Hon. W. R. MOTHERWELL (Minister of Agriculture): If I understood my hon. friend aright, he was asking with regard to additional space being provided for the shipment of our cattle. One boat, the Ontario, has been equipped with fore-decks capable of taking care of over one thousand head of cattle. It left just a week or ten days ago with the second load for the United Kingdom. There is another boat that has been launched, but with the exception of these two I do not know of any additional space that has been made available as a result of our friendly intervention.

CANADIAN NATIONAL RAILWAYS—THREE RIVERS

On the Orders of the Day:

Sir HENRY DRAYTON (West York): I would like to ask the Acting Minister of Railways and Canals a question having regard to an item appearing in the paper to the effect that the Canadian National railway was securing entrance to Three Rivers, and that that entrance was to be got through the incorporation of a local company in Quebec. I rise to ask whether the same machinery that was devised for the purpose of misleading this House in connection with the Rouyn railway is to be applied in this case.

Hon. J. A. ROBB (Minister of Finance): My hon. friend has not only asked a question, but has attempted to give an answer. I am advised that a private company has made application to the Quebec legislature for a charter, and advised also that the Canadian National Railway board is not in any way interested in that charter.

CANADIAN PACIFIC RAILWAY COMPANY

Mr. L. H. JELLIFF (Lethbridge) moved the second reading of Bill No. 4, respecting the Canadian Pacific Railway Company.

Mr. MEIGHEN: Before the second reading carries, the Minister of Railways or someone else should tell us what this bill means.

Mr. LAPOINTE: It is a private bill.

Mr. ROBB: I am asking that it be referred in the usual way to the standing committee on Railways. Perhaps the hon. member in whose name the bill stands will give an explanation.

Mr. JELLIFF: This bill provides for the construction of certain branch lines in the provinces of Alberta and Saskatchewan by the Canadian Pacific Railway. The first line contemplated is one from a point at or near Duchess or Rosemary on the Empress line of the Canadian Pacific in the province of Alberta. The second line contemplated is a branch from Rosetown in the province of Saskatchewan to a point on the Pheasant Hills branch at or near Keppel or Perdue. Clause 2 of the bill provides for an extension of time within which to commence and complete the line from Asquith on the Pheasant Hills branch northwesterly to Cloan on the Wilkie branch, in the province of Saskatchewan. I would like this bill to be given its second reading.

Motion agreed to and bill read the second time.

PRESIDENT OF THE LETHBRIDGE STAKE

Mr. L. H. JELLIFF (Lethbridge) moved the second reading of Bill No. 11 to incorporate the President of the Lethbridge Stake.

He said: This bill, as the first clause indicates, is for the purpose of forming a corporation sole under the name and style of the President of the Lethbridge Stake of the Church of Jesus Christ of Latter-day Saints, generally known as the Mormon Church The territory of this church is divided into certain districts called "stakes", which correspond with the dioceses of other denominations. The position of president of the stake corresponds very closely to that of a bishop in the other church denominations. The idea of the bill is to incorporate the president of the Lethbridge stake as a corporation sole in order that the properties of the church which are used for religious and charitable purposes, may be unified and administered to the better advantage of the organization. I would ask that the bill after receiving its second reading be referred to the select standing committee on Private Bills.

Motion agreed to and bill read the second time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

BONANZA CREEK MINING COMPANY

Mr. BLACK (Yukon):

1. Was $100.000 paid by the government to Bonanza Creek Gold Mining Company in 1924?
2. If so, why was such sum charged in the public accounts as cost of administration of Yukon Territory?
3. Who are the officers of Bonanza Creek Gold Mining Company?
4. Where is head office and place of business of Bonanza Creek Gold Mining Company?
5. On the advice of whom with knowledge of Yukon affairs, if anyone, did the government act in consenting to payment of said sum?

Hon. Mr. ROBB:

1. Yes; cheque was prepared in favour of The Bonanza Creek Gold Mining Company, Limited, and Messrs. Aylesworth, Wright, Thompson and Lawr, barristers of Toronto.

2. According to the Exchequer Court Act, Chapter 140 of the Revised Statutes of Canada, Section 79, the award was paid out of the consolidated revenue fund; and for the purpose of accounting was classified under the expenditure of the Yukon Territory.

3. Frank S. Berry, President; Walter H. Redman, Vice-President; Fred J. Bowen, Secretary-Treasurer; James A. Crotty, Director; Arthur K. Hutchins, Director.

4. Toronto, in care of Messrs. Aylesworth, Wright, Thompson and Lawr.

5. On the advice of the solicitor for the Department of Justice in the case of Bonanza versus The King, who conducted the defence for the crown.

CANADIAN GOVERNMENT MERCHANT MARINE

Mr. ARMSTRONG (Lambton):

1. How many boats are owned, controlled, and operated by the Canadian Merchant Marine department of Canada?

2. How many of said vessels were in use during the season of 1924, and what was the loss if any incurred in operating these vessels in that year?

3. How many of said vessels can pass through our canals to the head of the lakes, how many of these vessels could be used for carrying coal or grain, and the capacity of each vessel so equipped?

Hon. Mr. ROBB:

1. 49.

2. (1) 44. (2) The company's operating loss for the year ended December 31, 1924 was $1,440,880.21.

3. Three steamers, viz: Canadian Harvester, Canadian Gunner, and Canadian Beaver could pass through the canals to the head of the lakes and could be used for carrying coal or grain. Each steamer will carry 1,500 long tons deadweight cargo, or 56,000 bushels of heavy grain, through the Lachine canal and the Welland canal, on 14′ draft, which is the draft limit for both canals.

Through the Sault Ste. Marie locks the above three mentioned steamers will carry 2,840 long tons deadweight cargo, or 106,000 bushels of heavy grain.

JAPANESE IMMIGRATION

Mr. NEILL:

1. How many Japanese landed in Canada for the first time, according to Canadian government returns, during the calendar year, 1925?

2. At what ports did they land?

3. How were they classified as to (a) occupation, (b) sex?

Hon. Mr. STEWART:

1. Eleven months ended November 30—400. Returns for the month of December are not yet available.

2. Victoria and Vancouver.

3. (a)

Agricultural class—	
Males	47
Families	44
Labouring class—	
Males	21
Families	87
Mechanics—	
Males	3
Families	11
Trading class—	
Males	11
Families	22
Male domestics	27
Female domestics	12
Other classes—	
Males	5
Families	110

(b)

Adult males	114
Adult females	214
Children under 18	72

CHINESE IMMIGRATION

Mr. NEILL:

1. How many Chinese landed in Canada for the first time, according to Canadian government returns, during the calendar year 1925?

2. Of those entering, how many came as, (a) members of the diplomatic service and their servants; (b) merchants; (c) students; (d) under section 9, chap. 38 of the Chinese Immigration Act 1923?

3. What was the classification as to occupation of those admitted under said section 9, chap. 38?

4. What was the usual period of residence in Canada allowed under such permits?

5. During the year were any existing permits renewed or extended for a further period, and if so, how many and for what further period?

Hon. Mr. STEWART:

1. No Chinese immigrants landed; 80 Chinese entered under permit (Section 9, Chinese Immigration Act, 1923); 5 entered under Section 5 (a) of Chinese Immigration Act, 1923, being consular staff.

2. (a) 5.
(b) None.
(c) None.
(d) 80.

3.

Actors and actresses	8
Amahs	10
Bank manager and wife	2
Eleve Consul	1
Secretary to Consul	1
Wives of Consuls	2
Members of Consuls' families	6
Servants of Consuls	5
Doctors of Medicine	2
Infant	1
Merchant	1
Missionary	1
Professor's wife	1
Servants of tourists	5
Students	30
Students' wives	2
Teachers	2
	80

Of which number 33 have already passed out of Canada.

4. Periods vary according to circumstances. The average for 1925 was eight months per person.

5.

For one month	1
For three months	3
For four months	1
For six months	23
For twelve months	32

DOMINION GRAIN RESEARCH LABORATORY

Mr. MILLAR:

1. What changes, if any, have been made from July 1st, 1925, to date in connection with the Dominion grain research laboratory located at Winnipeg, as to (a) staff, (b) site, (c) equipment?

2. How many samples of wheat were tested for protein content in said laboratory during the above period?

Hon. Mr. ROBB:

1. (a) Staff, none, (b) site, none, (c) equipment, additional moisture testing apparatus has been installed.

2. No samples of wheat have been tested for protein content since July 1, 1925.

GRAIN SHORTAGE CLAIMS

Mr. MILLAR:

1. Taking the weight shortage claims presented to the Grain Commission by grain shippers as a basis, what was the (a) average, (b) maximum, (c) minimum alleged shortage in weight on cars of grain received into the terminal elevators located at the head of the Great Lakes during the last year, for which records are completed?

2. How many weight shortage claims were presented to the Grain Commission during the above year?

Hon. Mr. ROBB:

1. The chief weighmaster reports that, for the statistical crop year ending July 31, 1925, on two hundred and twenty-one (221) individual claims investigated the (a) average alleged shortage per car was 2,500 lbs.; (b) maximum alleged shortage per car was 14,900 lbs. and (c) minimum alleged shortage per car was 840 lbs.

On account of apparent mishaps at unloading, adjustments were secured or recommended amounting to 3,420 bushels on 42 cars, or an average of 81 bushels per car.

On a list of 197 claims presented by one company through a claims agent, the (a) average alleged shortage per car was 2,118 lbs.; the (b) maximum alleged shortage per car was 6,060 lbs. and the (c) minimum alleged shortage per car was 760 lbs.

Note: While the greater number of above cars were unloaded at one elevator, a number were unloaded at three other houses and all were claimed short.

On a list of 97 claims presented by one company, the (a) average alleged shortage per car was 248 lbs.; the (b) maximum alleged shortage per car was 1,430 lbs. and the (c) minimum alleged shortage per car was 70 lbs.

2. Five hundred and fifteen (515) claims were filed out of two hundred and eighty-eight thousand eight hundred and thirty-seven (288,-837) cars weighed.

AUSTRALIAN TRADE TREATY

Mr. SUTHERLAND (South Oxford):

1. On what date did the Trade treaty between Canada and Australia take effect?

2. Have any orders in council been passed by the government granting similar concessions to those contained in the Australian treaty in the Customs tariff, to any of the other British dominions?

[Mr. Millar.]

3. If so, what was the date of the passing and the numbers of such orders in council?

4. What was the date of the coming into effect of such trade arrangements?

5. What quantity of the following products have been imported into Canada from Australia and New Zealand during the years 1924 and 1925—meat, wool, hides, tallow, cheese, butter and eggs?

6. What quantity of these products have been imported from the said countries since they received the preferential rate under our customs tariff?

Hon. Mr. ROBB:

1. 1st October, 1925.

2. Yes, to New Zealand.

3. Dated 26th September, 1925, No. 1757, and published in an extra of the Canada Gazette, October 1, 1925.

4. 1st October, 1925.

5.

	From Australia		From New Zealand	
	1924	1925	1924	1925
Commodity—	Pounds	Pounds	Pounds	Pounds
Meat.. ..	196,379	158,591	121,062	116,660
Wool.. ..	1,222,171	766,340	2,919,705	606,921
Hides ..	602.420	1,335,622	3,179,426	852,460
Tallow ..	Nil	Nil	Nil	Nil
Cheese ..	Nil	Nil	7.925	Nil
Butter ..	Nil	Nil	1,296,707	162,848
Eggs.. ..	Nil	Nil	Nil	Nil

6.

Two months ended November 30, 1925

	From Australia	From New Zealand
Commodity—	Pounds	Pounds
Meat..	19,008	28,831
Wool..	160,422	13,031
Hides..	147,201	229,039
Tallow..	Nil	Nil
Cheese..	Nil	Nil
Butter..	Nil	37,800
Eggs	Nil	Nil

GOLD COMMISSIONER G. P. MACKENZIE

Mr. BLACK (Yukon):

1. What wild lives have been conserved to date as a result of the government's removal of Gold Commissioner Mackenzie from Yukon and the creation of a new government job for which $8,000 per annum is paid?

2. What protection has been afforded the natives of North West Territories by the same?

3. Why was the sum of $5,750 paid to Gold Commissioner Mackenzie by the government in 1923?

4. Why was such sum exempted from income tax?

5. Why are amounts paid other government employees as living allowance not exempted from income tax?

Hon. Mr. LAPOINTE:

1. Impossible to answer definitely. Mr. G. P. Mackenzie, exploration and development officer, in charge of the Arctic expedition of 1925, in the discharge of his duties conferred on the question of game conservation with the Danish authorities at Godhavn, North Greenland; with Commander Donald MacMillan of the MacMillan Arctic expedition when at Etah, North Greenland; with the

Royal Canadian Mounted Police officers, who are game guardians of the various detachments on Baffin, North Devon and Ellesmere islands in the Arctic archipelago. He has furnished the department with very valuable information and will continue the work next season. Under Mr. Mackenzie's direction, officers of the department are crossing the archipelago from west to east during the present year securing data regarding wild life and the natives of the islands.

2. The expedition of 1925, of which Mr. Mackenzie was the head, through the medium of the ship's doctor treated and performed operations where necessary on the natives. The medical and food supplies maintained for the benefit of the natives at the various police detachments in the north were renewed.

3. In 1918 in the interests of economy the offices of Gold Commissioner and Commissioner for the Yukon Territory were merged under Mr. Mackenzie, who had been Gold Commissioner since 1912. The living allowance paid officers of the Department in the Yukon other than the Commissioner is $1,500 per annum; that officer received $6,000 living allowance, a furnished government house, fuel, light, telephone, servants, etc. Mr. Mackenzie received none of these perquisites but he was granted to date from April 1st, 1919, an additional living allowance of $1,500 per annum to cover in part expenses necessary for him to incur by virtue of the position occupied. The sum referred to represents the amount accrued from that date. This classification was authorized by the Civil Service Commission.

4. Such sum was not exempted from income tax.

5. Living allowances received by employees as such which form part of the profit, gain, or remuneration of the taxpayer are by subsection 1 of section 3 of the Income War Tax Act, 1917, classed as income liable to taxation.

CANADIAN NATIONAL RAILWAY—OFFICE SPACE IN TORONTO

Mr. MANION:

What is the lowest rental offer per square foot which has been made for office space for the staff of the Canadian National Railways in the city of Toronto?

Hon. Mr. ROBB:

$1.50 per square foot.

PACIFIC SALVAGE COMPANY LIMITED

Mr. BLACK (Yukon):

1. Is a subsidy being paid by the Dominion government to any salvage company or companies operating on the Pacific coast?
2. If so, to what companies is it paid?
3. What is the amount of annual subsidy?
4. Under what authority is such subsidy paid?
5. When was the first payment of the present subsidy made?
6. When was the agreement to pay the present subsidy made?
7. For how many years is such a subsidy to be paid?
8. What public services do the recipients of such subsidy perform?
9. Is it open to the public to earn such subsidy or is payment restricted to one company or to certain companies?
10. If not open to the public, then to whom is the earning of such subsidy limited?
11. Was the mine sweeper Armentiers of the Canadian navy used in 1925 by the department of Customs in the preventive service or to chase rum runners, and was the said vessel wrecked?
12. If so, what salvage company salvaged her?
13. What amount was demanded by said salvage company for salvaging this vessel?
14. What amount was paid therefor by the government?
15. Has such an amount been paid by the Customs department or by the department of Defence?
16. If not, what department of the government has paid or will pay same, and how much?
17. Is this amount in addition to subsidy?

Hon. Mr. LAPOINTE:

1. Yes, under contract.
2. Pacific Salvage Company Limited.
3. $10,000.
4. Order in Council and parliamentary appropriation No. 214.
5. None yet made.
6. Original agreement made September 25, 1915 and renewed September 11, 1925.
7. 10 years.
8. Maintains at all times an efficient salvage plant and equipment at Victoria, B.C.
9. Payment is restricted to the contractors.
10. The contractors.
11. Yes.
12. Pacific Salvage Company.
13. Forty thousand dollars ($40,000) "No cure no pay" or as an alternative ($1,100.00) a day plus a bonus of $12,000.00 upon delivery of vessel at Esquimalt.
14. Forty thousand dollars ($40,000).
15. Department of National Defence.
16. Answered by No. 15.
17. No information.

CANADIAN GOVERNMENT MERCHANT MARINE COAL PURCHASES

Mr. NEILL:

1. What tonnage of coal was purchased on the Pacific Ocean by the Canadian Government Merchant Marine during the calendar year, 1925?
2. From whom was it purchased?
3. What quantities were purchased from each vendor?

Hon. Mr. ROBB:

1. 49,878 gross tons.
2. Western Fuel Corporation of Canada, Ltd., Nanaimo, B.C., Wellington-Comox

Agency Ltd., for Canadian Collieries (Dunsmuir) Ltd., Union Bay, B.C.

3. Western Fuel Corporation of Canada, Ltd., 36,782 gross tons, Wellington-Comox Agency, Ltd., for Canadian Collieries (Dunsmuir) Ltd., 13,096 gross tons.

EMIGRATION TO THE UNITED STATES

Mr. PARENT:

1. How many persons, residing in Canada, have emigrated to the United States since 1920, and what is the number for each respective year?

2. Has the government a method by which it can keep track of the provinces from which said persons emigrate?

3. If so, what is the number for each province, and what numbers were British subjects?

Hon. Mr. STEWART::

1. The Department of Immigration and Colonization keeps no record of persons admitted to the United States from Canada.

2. Answered by No. 1.

3. Answered by No. 1.

IMPORTS OF CHEESE, BUTTER AND EGGS

Mr. STEWART (Leeds):

1. What quantities of cheese, butter and eggs were imported during each of the months of September, October, November and December, 1925?

2. From which countries were such imports made and what quantities were imported from each country during each of the above months?

3. What is the rate of duty on each of said commodities in respect of each country from which such imports were made?

Hon. Mr. BOIVIN:

1. September: 2,418 lbs. butter, 65,810 lbs. cheese, 18,813 doz. eggs, 199,800 lbs. eggs n.o.p.; October: 1,745 lbs. butter, 147,014 lbs. cheese, 36,971 doz. eggs, 48,755 lbs. eggs, n.o.p.; November: 39,044 lbs. butter, 126,120 lbs. cheese, 14,071 doz. eggs, 147,672 lbs. eggs, n.o.p.; December, 15,724 lbs. butter, 93,188 lbs. cheese, 48,575 doz. eggs, 158,416 lbs. eggs, n.o.p.

2. In September 2,312 lbs. butter were imported from the United States, 66 lbs. from Newfoundland, 40 from Alaska; in October 1,545 lbs. of butter were imported from the United States and 200 from Newfoundland; in November 1,199 lbs. of butter were imported from the United States, 37,800 from New Zealand and 45 lbs. from Alaska; in December 1,924 lbs. of butter were imported from the United States, 278 from Australia, 13,160 from New Zealand and 362 lbs. from Syria.

In September 699 lbs. of cheese were imported from the United Kingdom, 23,908 from the United States, 15,630 lbs. from France, 16,676 lbs. from Italy, 879 lbs. from the Netherlands, 473 from Norway and 7,545 from Switzerland; in October 1,629 lbs. of cheese were imported from the United Kingdom, 29,622 lbs. from the United States, 59,235 from France, 48,526 lbs. from Italy, 2,558 from the Netherlands and 5,444 lbs. from Switzerland; in November 13,934 lbs. of cheese were imported from the United Kingdom, 38,220 lbs. from the United States, 24,574 lbs. from France, 27,772 lbs. from Italy, 4,098 lbs. from the Netherlands, 712 lbs. from Norway and 16,810 lbs. from Switzerland; in December 1,136 lbs. of cheese were imported from the United Kingdom, 40,520 lbs. from the United States, 270 lbs. from Australia, 10,958 lbs. from France, 33,260 lbs. from Italy, 4,231 lbs. from the Netherlands, 2,452 lbs. from Norway, 247 lbs. from Switzerland and 114 lbs. from Syria.

In September 18,491 doz. eggs were imported from the United States, 2 doz. from Newfoundland, 195 doz. from Alaska and 125 doz. from China; in October 35,948 doz. of eggs were imported from the United States, 683 doz. from Hong Kong, 90 doz. from Alaska and 250 doz. from China; in November 11,463 doz. of eggs were imported from the United States, 2,224 doz. from Hong Kong and 384 doz. from China; in December 33,133 doz. of eggs were imported from the United States, 3,896 doz. from Hong Kong, 116 from China and 11,430 doz. from Japan.

In September 400 lbs. of eggs n.o.p. were imported from the United States and 199,400 lbs. were imported from China; in October 1,025 lbs. of eggs n.o.p. were imported from the United States and 47,730 lbs. from China; in November 625 lbs. of eggs n.o.p. were imported from the United States and 147,047 lbs. from China; in December 800 lbs. of eggs n.o.p. were imported from the United States and 157,616 lbs. from China.

3. The rates of Customs duty applicable to butter are as follows:

Butter from the United States, Newfoundland, Alaska and Syria, 4 cents per lb; butter from Australia imported direct 1 cent per lb. butter from New Zealand imported direct 1 cent per lb.

The rates of Customs duty applicable to cheese are as follows:

Cheese manufactured in the United Kingdom and imported direct 2 cents per lb.; Australian cheese imported direct, Free; cheese manufactured in France, the Netherlands, Norway, Italy and Switzerland when conveyed without transhipment from a port of those territories or from a port of a British country enjoying the benefits of the British or intermediate tariffs into a sea or river port of Canada, 3 cents per lb. less a discount of 10 per cent on the amount of duty

computed; cheese from the United States and Syria 3 cents per lb.

The rates of Customs duty applicable to eggs in the shell are as follows:—Eggs in the shell, being the produce of Hong Kong, Newfoundland and Japan, when conveyed without transhipment from a port of those territories or from a port of a British country enjoying the benefits of the British or intermediate tariffs into a sea or river port of Canada, 2½ cents per dozen; eggs in the shell from the United States, Alaska and China, 3 cents per dozen.

The rates of Customs duty applicable to eggs n.o.p. are as follows:—Eggs n.o.p. from the United States and China 17½ per cent ad valorem.

OLD AGE PENSIONS

Mr. NEILL:

What steps, if any, have the government taken, or do they intend to take, to carry out the recommendations contained in the report of the special committee on Old Age Pensions which sat during the last two sessions of parliament, and reported to this House on June 16th, 1925?

Right Hon. Mr. MACKENZIE KING: Legislation will be introduced at the present session.

SOLDIER SETTLEMENT BOARD—MR. A. M. GRAHAM

Mr. WOODSWORTH:

1. Has the Department of Immigration received a letter from Mr. A. M. Graham, of Winnipeg, dated October 2, 1925, with regard to his dismissal from the service of the Soldier Settlement Board, in which he makes serious charges against officials of the board and asks for an investigation?

2. Has such investigation been held, and what action does the minister intend to take in the matter?

Hon. Mr. STEWART:

1. A communication was received from Mr. A. M. Graham under date of October 2, 1925, complaining of the termination of his services with the Soldier Settlement Board at Winnipeg in August, 1920. The letter in question contained charges of wrongful dismissal against certain officials of the board and asked for investigation.

2. This complaint has been the subject of investigation on several occasions during the last five years, but if Mr. Graham thinks further investigation would be of assistance to him it will be granted.

MR. W. T. R. PRESTON

Mr. MULLINS:

1. Was W. T. R. Preston in the employ of the government in the year 1925?

2. If so, what did he receive for the year?

3. What money was paid him during the period from September 1st, 1925, to November 31st, 1925?

4. How was it paid?

5. What were his duties?

Hon. Mr. LAPOINTE:

1. Yes—at intervals between January 1 and June 4, 1925.

2. For the above period he received $2,446.55. Remuneration $1,155. Maintenance $880. Travel $215.55. Stenographer assist. $196.

3. Nil.

4. Answered by No. 3.

5. Investigating matters in connection with the inquiry into Ocean Rates.

Mr. HANSON:

1. Is W. T. R. Preston in the employ of the government of Canada?

2. If so, in what capacity, under what authority, and what is his remuneration?

Hon. Mr. LAPOINTE:

1. No.

2. Answered by No. 1.

Mr. CHAPLIN (Lincoln):

How much was paid to W. T. R. Preston during each of the years 1922, 1923, 1924, 1925,—

(1) by way of salary?

(2) for expenses of all kinds?

Hon. Mr. ROBB:

Department of Labour—

	(1)	(2)
1922	$990 00	$597 02
1923	Nil	Nil
1924	Nil	Nil
1925	Nil	Nil

Department of Trade and Commerce—

(1)

	Remuneration	Allowance	Total
1922 (from Oct. 14)	$1,110 00	.....	$1,110 00
1923..	2,160 00	1,905 00	4,065 00
1924..	4,155 00	2,980 00	7,135 00
1925 (to June 4)..	1,155 00	880 00	2,035 00

(2)

	Travel	Sundries	Stenographic Assistance	Total
1922 (from Oct. 14) ..	$ 926 58	.....	.....	$ 926 58
1923..	245 56	.....	.....	245 56
1924..	1,034 15	$309 64	$150 00	1,493 79
1925 (to June 4)	215 55	.....	196 00	411 55

Mr. Preston was employed in an investigation of lake grain freight rates from October 14, 1922, to January 18, 1923, and from January 19 to May 23, 1923, was employed as Secretary of the Grain Inquiry Commission regarding lake grain freight rates.

From February 28, 1924 to January 17, 1925, Mr. Preston investigated the situation in regard to ocean freight rates, and appeared as a witness before the parliamentary committee on ocean freight rates between March 23 and June 4, 1925.

Department of Immigration and Colonization—

(1) No payments.

(2) $1,509.95.

GRAIN SHIPMENTS BY CANADIAN AND UNITED STATES PORTS

Mr. CHURCH:

How many bushels of Canadian grain were shipped from Canada to overseas markets of the world, (a) passing through United States channels overseas; and (b) passing directly through Canada?

Hon. Mr. ROBB:

Quantities of Canadian grain exported from Canada to overseas countries during the years ended March 31, 1921 to 1925, inclusive, showing, (a) Exports via United States channels (indirect) and (b) exports via Canadian sea ports (direct):

(a) To Overseas Countries via United States Channels

Years ended March 31

	1921 Bushels	1922 Bushels	1923 Bushels	1924 Bushels	1925 Bushels
Barley..	2,228,003	4,229,532	6,346,182	6,637,087	15,279,323
Buckweat..	22,859	250,466	263,536	21,642	744,868
Corn..	.....	5	3,102	1,191	.....
Oats..	4,855,135	9,606,048	11,733,962	8,322,372	13,375,421
Rye..	1,778,908	2,110,331	9,081,325	5,428,137	4,638,892
Wheat..	49,977,224	83,354,275	132,007,645	119,413,546	92,055,508
Total Grain..	58,862,129	99,550,657	159,435,752	139,823,975	126,094,012

(b) To Overseas Countries via Canadian Sea Ports

Years ended March 31

	1921 Bushels	1922 Bushels	1923 Bushels	1924 Bushels	1925 Bushels
Barley..	6,030,651	8,346,280	7,288,415	8,262,288	7,531,230
Buckwheat..	1,095	13,912	47,087	175,018	21,128
Corn..	8,944	8,026	18,742	3,060	2,196
Oats..	4,700,711	23,371,660	16,445,454	14,024,961	14,912,094
Rye..	705,436	964,540	606,796	1,394,363	2,882,219
Wheat..	36,913,039	36,542,166	66,853,292	116,228,184	94,290,513
Total Grain..	48,359,876	69,246,584	91,259,786	140,087,874	119,639,380

DOMINION BOND ISSUES—TENDERS

Mr. BIRD:

1. Does the honourable the Minister of Finance receive offers for Dominion bond issues by public tender?

2. Does the honourable the Minister of Finance publish the price received by the Dominion government for the respective issues of bonds sold by it? If not, why?

3. What price did the honourable the Minister of Finance receive for the issue of Dominion of Canada bonds made in September, 1925?

4. Did the price received include "accrued interest"?

5. If the price did include "accrued interest", what was the net price after such accrued interest is deducted?

Hon. Mr. ROBB:

1-5. The established practice in the Department of Finance is to make public the terms of sale of bond issues only through the medium of the Public Accounts of Canada or by statement to parliament either in the minister's budget speech or as a special announcement.

Following such practice, particulars of the loan flotation in September last will, in due course, be reported to parliament.

[Mr. Robb.]

VANCOUVER HARBOUR COMMISSION—SPILLERS ELEVATOR

Hon. Mr. STEVENS:

1. Has the government received from any source a proposal that it should authorize the Vancouver Harbour Commissioners to purchase an elevator situated in Vancouver harbour and known as Spillers elevator?

2. If so, who has made the said proposal and what price has been asked for the said elevator?

3. Has the government agreed to the purchase of the said elevator by the said harbour commission or by or on behalf of the government by any other authority?

Hon. Mr. CARDIN:

1. No.

2. Answered by No. 1.

3. Answered by Nos. 1 and 2.

Hon. Mr. STEVENS:

1. Has the elevator known as Spillers elevator, Vancouver, B.C., the right and privileges of loading its grain into deep sea ships over a gallery or carrier constructed on the property of the Vancouver Harbour Board?

2. What is the fee for the said service per bushel?

3. What was the total amount of revenue paid to the harbour commissioners by the said elevator company for the said service during the year 1924?

4. What was the total cost of the jetty and gallery or carrier and equipment by which the said service is given?

5. Has the government received representations that the said fees are too high?

6. Has the government in contemplation the reduction of the said charges?

Hon. Mr. CARDIN:

1. Yes.

2. One-half of 1 cent per bushel.

3. $173.23.

4. In round figures, $709,000 was the cost of jetty and conveyor galleries to provide the present facilities to serve both the Vancouver Terminal Grain Company's elevators and also the harbour commissioner's elevator No. 1.

5. Representations have been made by the Vancouver Terminal Elevator Company to the Vancouver Harbour Commissioners that the prevailing tariff rates in Vancouver are too low to enable them to operate profitably at the charge made to them by the commissioners for conveyor and berthing service.

6. The Vancouver Harbour Commissioners have not submitted the matter for the consideration of the government.

CANADIAN CLUBHOUSE AT LOS ANGELES

Hon. Mr. STEVENS:

Having reference to an article which appeared in the Illustrated Daily News, of Los Angeles, U.S.A., on December 30, 1925,—

"Wilshire Site is Selected by Canadians

"A $1,000,000 clubhouse for former Canadians will be constructed on Wilshire Boulevard during 1926.

"Announcement of the new enterprise was made yesterday by Col. A. G. Fonseca, 360 South Los Angeles Street, after receiving word that the proposed structure would be financed by Canadian government aid and subscriptions of wealthy former Canadians of southern California."

1. Has the Canadian government, had any communications in regard to this matter?

2. Has the government through any of its ministers or officials agreed to support the financing of this project?

3. If so, under what authority and warrant has such aid been granted or agreed to?

Hon. Mr. LAPOINTE:

1. No.

2. Answered by No. 1.

3. Answered by No. 1.

IMMIGRATION EXPENDITURE AND RESULTS

Mr. CHURCH:

1. What amount of money, annually, has been spent on immigration (a) from Great Britain; (b) the United States; (c) the continent of Europe, for the past five years?

2. What number of migrants (a) of British origin; (b) of other than British origin, have arrived in Canada annually during the past five years?

Hon. Mr. STEWART:

1.	(a) Great Britain	(b) United States	(c) Continent of Europe
1921-22..	$302,373 04	$419,956 92	.....
1922-23..	332,610 09	525,363 90	$51,353 54
1923-24..	523,318 03	549,355 76	87,711 15
1924-25..	679,599 67	363,740 21	87,557 73
*1925-26.	438,267 74	213,437 09	40,654 95
	$2,276,168 57	$2,071,853 88	$267,277 37

* 8 months to November 30th, 1925.

2.	(a) British Isles	(b) Other Countries
1921-22.....	39,020	50,979
1922-23.....	34,508	38,379
1923-24.....	72,919	75,641
1924-25.....	53,178	58,184
*1925-26.....	30,022	40,090

* 8 months to November 30th.

ORDERS IN COUNCIL

Mr. CHAPLIN (Lincoln):

How many orders in council have been passed by the government during each of the years 1922, 1923, 1924, 1925?

Hon. Mr. LAPOINTE:

Year	Number of O'C's.
1922..	5,621
1923..	4,936
1924..	5,357
1925..	4,580

GRAIN SHIPMENTS VIA CANADIAN PORTS

Hon. Mr. STEVENS:

1. During the calendar year 1925, what was the quantity of Canadian grain of all kinds exported through: (a) the port of Montreal, (b) the port of Quebec, (c) the port of St. John, (d) the port of Halifax, (e) American Atlantic ports?

2. What is the storage capacity of the elevators at each of the above Canadian ports?

3. Were the grain shipping facilities of each of the above mentioned Canadian ports used to full capacity?

4. Why is it that such a large quantity of Canadian grain finds shipment to world markets through American ports?

5. What has been the storage capacity and the number of individual elevators in the port of Vancouver for the calendar years 1922, 1923, 1924 and 1925?

6. What amount of grain has been shipped through the port of Vancouver during each of the calendar years 1922, 1923, 1924 and 1925?

7. What has been the elevator rates in the port of Vancouver during the calendar years 1922, 1923, 1924 and 1925 for: (a) elevation, (b) storage, (c) loading and (d) drying and cleaning?

Hon. Mr. ROBB:

1.

Port	Wheat Bus.	Oats Bus.	Barley Bus.	Flaxseed Bus.	Rye Bus.	Total Bus.
(a) Montreal.	44,884,507	26,530,748	8,564,362	–	2,663,786	82,643,403
(b) Quebec..	1,642,804	416,282	–	–	–	2,059,086
(c) St. John	6,117,831	1,628,659	1,207,856	–	239,597	9,193,943
(d) Halifax	520	319,554	297	–	–	320,371
(e) U.S. ports	129,688,215	11,515,000	23,138,944	178	2,503,896	166,846,233

2.

(a) Montreal, 13,310,000 bushels. Licensed storage capacity.

(b) Quebec, 2,500,000 bushels. Licensed storage capacity.

(c) St. John, 2,200,000 bushels. Licensed storage capacity.

(d) Halifax, 1,500,000 bushels. Licensed storage capacity.

3. Montreal—during the season of navigation—Yes.

Quebec, No. St. John, No. Halifax, No.

4. The final report of the special committee of the Senate, appointed to inquire into the diversion of the export grain trade of the prairie provinces to American instead of Canadian seaports, 1921-22, contains a summary of the evidence of the witnesses who appeared before the committee and admitted that this diversion of the export trade had taken place.

5.

Calendar Year		Licensed Capacity Bushels
1922	Canadian government elevator.	1,250,000
	A. E. Burnett	75,000
	Vernon & Buckerfield	40,000
	Victory Flour Mills Ltd.	23,000
	McLellan & McCarter Ltd. ..	30,000
	Brackman-Ker Milling Co. ..	25,000
	Vancouver Milling & Grain Co. Ltd.	200,000
	Total..	1,643,000
1923	Canadian government elevator.	1,250,000
	Brackman-Ker Milling Co. Ltd	25,000
	Vancouver Milling & Grain Co. Ltd.	200,000
	A. E. Burnett	70,000
	Vernon & Buckerfield..	30,000
	McLellan & McCarter	35,000
	Victory Flour Mills Co.	23,000
	Total	1,633,000
1924	Harbour Commissioners elevator	1,850,000
	Vancouver Terminal Grain Co. Ltd.	2,000,000
	Brackman-Ker Milling Co. Ltd.	25,000
	Vancouver Milling & Grain Co. Ltd.	200,000
	Columbia Grain Elevator Co. Ltd.	100,000
	British & Oriental Grain Elev. Co. Ltd.	100,000
	A. E. Burnett	70,000
	Vernon & Buckerfield	30,000
	McLellan & McCarter	35,000
	Victory Flour Mills Co.	23,000
	Total	4,433,000
1925	Harbour Commissioners elevator:	
	No. 1	2,000,000
	No. 2	2,000,000
	No. 3	150,000
	Vancouver Terminal Grain Co.	2,250,000
	Columbia Grain Elev. Co. .. .	125,000
	Vancouver Milling & Grain Co. Ltd.	200,000
	Victory Flour Mills Co.	25,000
	Vernon & Buckerfield	40,000
	McLellan & McCarter	30,000
	Brackman & Ker Milling Co.	25,000
	Burnett's Elevator	75,000
	Total	6,920,000

6.

	Wheat Bus.	Oats Bus.	Barley Bus.	Flaxseed Bus.	Rye Bus.	Total Bus.
1922..	12,556,147	110,991	–	–	107,033	12,774,173
1923..	22,168,155	106,186	–	–	289,390	22,563,731
1924..	55,167,194	1,726,795	92,952	250	178,397	57,165,588
1925..	31,050,007	255,077	409,453	–	28,545	31,743,082

Crop year, 1921-22: (a) elevation—½ cent per bushel; (b) storage—straight grade grain, first 15 days free, after first 15 days 1/60 cents per bushel per day; (c) loading—included in (a) elevation charge; (d) drying—not specified; cleaning—grain carrying dockage of one per cent to five per cent, one-half cent per bushel, grain carrying dockage of 5½ per cent to 10 per cent, one cent per bushel, grain carrying dockage of over 10 per cent, 1½ cent per bushel.

Crop year, 1922-23: (a) elevation—one-half cent per bushel; (b) storage—straight grade grain, first 15 days free, after first 15 days 1/60 cents per bushel per day; (c) loading—included in (a) elevation charge; (d) drying—not specified, cleaning—grain carrying dockage of one per cent to five per cent, one-half cent per bushel, grain carrying dockage of 5½ to 10 per cent, one cent per bushel, grain carrying dockage of over 10 per cent, 1½ cent per bushel.

Crop year, 1923-24: (a) elevation— one cent per bushel; (b) storage—straight grade grain, first 15 days free, after first 15 days 1/30 cents per bushel per day; (c) loading—included in (a) elevation charge; (d) drying—tough grain three cents per bushel, damp or wet grain five cents per bushel, cleaning—wheat, oats, barley and rye, grain carrying dockage under three per cent, one-quarter cent per bushel, grain carrying dockage of three per cent to five per cent, one-half cent per bushel, grain carrying dockage of 5½ per cent to 10 per cent, one cent per bushel, grain carrying dockage over 10 per cent, 1½ cent per bushel, flaxseed carrying dockage up to three per cent, one-half cent per bushel, flaxseed carrying dockage of 3½ per cent to five per cent, one cent per bushel, flaxseed carrying dockage of 5½ per cent to 10 per cent, 1½ cent per bushel, flaxseed carrying dockage over 10 per cent, two cents per bushel.

Crop year, 1924-25 Harbour Commissioners' and Vancouver Terminal Grain Co. Ltd.: (a) elevation— one cent per bushel; (b) storage straight grade grain, first 15 days free, after first 15 days 1/30 cent per bushel, per day; (c) loading—included in (a) elevation charge; (d) drying—tough grain three cents per bushel, damp or wet grain five cents per bushel, cleaning—wheat, oats, barley and rye, grain carrying dockage under three per cent, one-quarter cent per bushel, grain carrying dockage three per cent to five per cent, one-half cent per bushel, grain carrying dockage 5½ per cent to 10 per cent, one cent per bushel, grain carrying dockage over 10 per cent, 1½ cent per bushel, flaxseed carrying dockage up to three per cent, one-half cent per bushel, flaxseed carrying dockage 3½ per cent to five per cent, one cent per bushel, flaxseed carrying dockage 5½ per cent to 10 per cent, 1½ cent per bushel, flaxseed carrying dockage over 10 per cent, two cents per bushel.

Crop year, 1925-26: (a) elevation—one cent per bushel; (b) storage—straight grade grain, first 15 days free, after first 15 days 1/30 cent per bushel per day; (c) loading—included in (a) elevation charge; (d) drying—tough grain three cents per bushel, damp or wet grain five cents per bushel, cleaning—wheat, oats, barley and rye, grain carrying dockage up to three per cent, one-quarter cent per bushel, grain carrying dockage 3½ per cent to five per cent, one-half cent per bushel, grain carrying dockage 5½ per cent to 10 per cent, one cent per bushel, grain carrying dockage over 10 per cent, 1½ cent per bushel, flaxseed carrying dockage up to three per cent, one-half cent per bushel, flaxseed carrying dockage 3½ per cent to five per cent, one cent per bushel, flaxseed carrying dockage 5½ per cent to 10 per cent, 1½ cent per bushel, flaxseed carrying dockage over 10 per cent, two cents per bushel.

PRINCE RUPERT ELEVATOR

Hon. Mr. STEVENS:

1. Has the government through any of its ministers or officials, or through the Board of Grain Commissioners received an application or request for the lease of the Prince Rupert elevator?

2. If so, from whom has such application been received, and is it the intention of the government to lease the said elevator?

3. In event of the government deciding to lease the said elevator has opportunity been given to other parties than those immediately applying to tender on the said lease?

Hon. Mr. ROBB:

1. Yes.

2. An application was received from Mr. George McIvor representing the Alberta wheat pool, which offered to take over the elevator and operate it on a two year lease, requiring the government to turn over the elevator to the wheat pool, complete with all equipment and allowing the pool to operate it as a private elevator, thus having the right to mix grain, on the understanding that the pool would take care of the operating costs, including power and also minor repairs, but requiring the government to carry all other charges, including interest on investment, major repairs, etc. It is not the intention of the government to lease this elevator.

3. Answered by No. 2.

DREDGE MASTADON

Hon. Mr. STEVENS:

1. Is the dredge Mastadon dredging at Coal harbour, Vancouver? If so, what work is being done by the said dredge?

2. What tug boats are in attendance upon the said dredge, and by whom are they owned?

3. If such tug boats are chartered, how much is being paid per day and what are the conditions upon which they are engaged?

4. What is the estimated cost per cubic yard of the said work?

Hon. Mr. KING (Kootenay):

1. (a) Yes. (b) The widening of the channel to 400 feet, 15 feet deep at low tide.

2. The tug boats in attendance are the tug Point Grey and the launch Knockabout, belonging to the Department of Public Works.

3. Answered by No. 2.

4. 25 cents per cubic yard.

MR. DUNCAN MARSHALL

Mr. ANDERSON (Halton):

1. Is Honourable Duncan Marshall on the pay-roll of the Dominion government?

2. If not, when were his services dispensed with?

3. What amount was paid in each of the years 1922, 1923, 1924 and 1925 to Mr. Marshall?

Hon. Mr. MOTHERWELL:

Department of Agriculture—

1. No.

2. January 1st, 1924.

3. 1921-22 Salary $1,274.19; expenses $210,-15; 1922-23 salary $6,000.00, expenses $3,976.91; 1923-24 salary $4,500.00, expenses $3,676.75.

Hon. Mr. STEWART:

Department of Immigration and Colonization—

1 and 2. Mr. Marshall has never been on the pay-roll of this department. He did, however, represent the department at an exhibition at Tampa, Florida, in February, 1922, for which he was paid a per diem allowance on account of expenses.

3. $300.

PORT CREDIT DREDGING

Mr. CHARTERS:

1. What amount was expended on the dredging of Port Credit harbour during 1925?

2. From what vote was the money obtained?

3. Is it the intention of the government to continue dredging operations this year?

4. If so, out of what vote will the money be paid?

Hon. Mr. KING (Kootenay):

1. $6,937.17.

2. Dredging—Ontario and Quebec.

3 and 4. No, as dredging to meet present requirements completed last year.

SOLDIERS' PENSIONS

Mr. KAISER:

1. How many returned soldiers, married, have died since the war?

2. How many of the wives of such dead soldiers have applied for pensions?

[Mr. Robb.]

3. How many of such pensions have been granted?

4. How many have been delayed or refused?

Hon. Mr. MACDONALD:

1 and 2. No information.

3. Pensions have been awarded to 12,829 widows.

4. No information.

IMPORTS FROM AUSTRALIA AND NEW ZEALAND

Mr. ANDERSON (Halton):

1. What are the amounts and values per month, during the year 1925, of importations into Canada from Australia and New Zealand respectively, of the following commodities: butter, cheese, eggs, beef, mutton and fruit pulp?

2. What amount of bonus or bounty is given to encourage the export of butter, eggs, cheese, beef or mutton by (a) Australia; (b) New Zealand?

Hon. Mr. BOIVIN:

1. Imports into Canada from Australia and New Zealand of "Butter".

	From Australia		From New Zealand	
	Quantity Pound	Value $	Quantity Pound	Value $
Months of 1925				
January . . .	..	..	56	17
February . .	..	..	168	51
March . . .	..	..	2,240	680
April	..	..	..	..
May	..	..	..	..
June	..	..	..	..
July.	..	..	..	..
August . . .	..	..	..	..
September . .	..	..	..	..
October . . .	..	..	..	..
November ..	..	..	37,800	15,497
December . .	278	110	13,160	5,338
Total 12 Months .	278	110	53,424	21,583

Imports into Canada from Australia and New Zealand of Cheese.

	From Australia		From New Zealand	
	Quantity Pound	Value $	Quantity Pound	Value $
Months of 1925				
January . . .	..	..	..	..
February . .	..	..	..	..
March . . .	..	..	..	..
April	..	..	..	..
May	..	..	..	..
June	..	..	..	..
July	..	..	..	..
August . . .	..	..	..	..
September . .	..	..	..	..
October . . .	..	..	..	..
November ..	..	..	..	..
December . .	270	69	..	..
Total 12 Months ..	270	69		

Imports into Canada from Australia and New Zealand of "Fruit Pulp, not sweetened, Imported by Manufacturers for the Manufacture of Jams of Preserves."

	From Australia		From New Zealand	
	Quantity Pound	Value $	Quantity Pound	Value $
Months of 1925				
January . . .	..	..	..	..
February . .	..	..	..	..
March . . .	..	..	..	..
April	..	..	..	..
May	..	..	..	..
June	..	..	..	..
July	..	..	..	..
August . . .	..	..	..	..
September . .	..	..	..	..
October . . .	..	..	..	..
November ..	1,144	72	..	..
December . .	..	..	..	..
Total 12 Months ..	1,144	72		

Imports into Canada from Australia and New Zealand of "Mutton and Lamb, Fresh, chilled or frozen."

	From Australia		From New Zealand	
	Quantity Pound	Value $	Quantity Pound	Value $
Months of 1925				
January . . .	9,860	1,009	..	..
February . .	5,450	549	..	..
March . . .	17,074	2,739	2,074	351
April	9,300	1,462	..	..
May	14,787	2,279	..	..
June	5,480	819	5,400	604
July	..	..	..	..
August . . .	..	..	5,400	600
September ..	..	..	..	..
October . . .	..	..	5,400	600
November ..	72	12	..	..
December . .	324	52	2,700	300
Total 12 Months ..	62,347	8,921	20,974	2,455

Imports into Canada from Australia and New Zealand of Beef, fresh, chilled or frozen, and Beef, pickled, in barrels—No imports during 1925.

Imports into Canada from Australia and New Zealand of Eggs, in shell, and Eggs, n.o.p. —No imports during 1925.

2. No information.

EXPORTS THROUGH PORT OF WINDSOR

Mr. MORAND:

1. What were the total exports of goods of every description from the port of Windsor during the year 1925?

2. How were these exports classified and what quantity of each classification was so exported during the above year?

3. What were the total imports into the port of Windsor, Ontario, and what was the amount of each class of goods so imported during the same year?

Hon. Mr. BOIVIN:

Classified Statement of Imports Entered for Consumption at the Port of Windsor, Ont., and Exports through that Port during the Fiscal Year ended March, 1925

Item	Imports entered for consumption	Exports Canadian produce	Exports Foreign produce
Vegetable Food Products:			
Fruits, nuts and vegetables..	$ 763,825	$ 235,996	$ 15,960
Grains and farinaceous products..	542,703	101,788	7,346
Sugar and its products..	15,366	131,486	.....
Tea and coffee..	111,698	.....	575
Vinegar..	.....	2,260	.....
Other vegetable products, mainly food, n.o.p..	45,870	1,507	989
Vegetable Products, Other:			
Beverages, alcoholic..	.....	6,641,360	.....
Plants, shrubs, trees and vines..	22,052	5,214	473
Rubber and its products..	117,663	34,999	17,697
Seeds..	96,408	989,190	27,565
Tobacco..	478	41,669	2,614
Other vegetable products, n.o.p..	182,103	270,797	2,680
Animals and Products:			
Animals, living..	261,955	286,671	99,810
Bones, horns, etc..	20,784	12,751	.....
Fish and fishery products..	16,532	542,791	143
Furs, hides and leather..	53,770	1,127,658	26,385
Hair..	802	30,545	142
Meats..	34,634	135,084	133

Classified Statement of Imports, etc.—*Continued.*

Item	Imports entered for consumption	Exports Canadian produce	Exports Foreign produce
Animals and Products—(Con'd:):			
Milk and milk products	10,445	134,831	68
Oils, fats, greases and wax	8,105	20,292	.....
Miscellaneous animal products	52,972	195,569	138,983
Fibres, textiles and Products:			
Cotton and products	194,165	2,190	2,182
Flax, hemp and jute	23,462	596	.....
Silk	30,829	.....	190
Wool and products	105,579	156,253	4,675
Other textile products	223,305	828,049	16,890
Wood and Paper and Products:			
Wood, unmanufactured or partially manufactured	831,520	1,484,863	1,990
Wood, manufactured	601,998	3,407,505	10,168
Paper, n.o.p.	385,711	18,190,163	5,310
Books and printed matter	484,820	47,765	5,440
Iron and Steel and Products:			
Smelted products	76,083	503,737	.....
Scrap iron and steel	62	129,354	.....
Castings and forgings	870,144	21,064	6,570
Rolling mill products	2,728,587	66,432	137,440
Tubes, pipes and fittings	177,733	548	2,218
Wire	240,625	356	831
Engines and boilers	1,776,974	2,182	13,246
Farm implements and machinery	344,549	289,585	38,068
Firearms	615	.....	202
Hardware and cutlery	168,155	18,351	2,314
Machinery (except agricultural)	903,678	32,616	115,996
Stamped and coated products	56,965	514	281
Tools	58,255	2,092	15,674
Vehicles	9,658,460	559,404	472,087
Other iron and its products	668,916	59,104	48,429
Non-ferrous Metals and Products:			
Aluminium and products	49,746	91,698	3,476
Brass and products	227,629	43,372	8,899
Copper and products	412,745	264,931	3,386
Nickel and products	81,584	455,255	.....
Precious metals	39,736	1,161	.....
Electrical apparatus	1,143,420	4,650	38,886
Printing materials	19,272	649	1,710
Miscellaneous non-ferrous metal products	204,834	142,817	14,601
Non-metallic Minerals and Products:			
Asbestos	25,723	678,250	481
Clay and products	132,929	4,078	1,470
Coal and products	1,624,254	7,072	.....
Glass and products	418,618	37,320	87,392
Graphite and products	1,359	20,395	.....
Mica and products	.....	19,149	.....
Petroleum and products	257,025	26,907	.....
Stone and products	152,540	66,438	677
Other non-metallic mineral products	119,657	6,247	4,335
Chemicals and Products:			
Acids	33,726	71,203	.....
Drugs, medicinal	112,450	1,693	432
Explosives	23	40	.....
Fertilizers	12,269	846,135	.....

[Mr. Boivin.]

Classified Statement of Imports, etc.—*Concluded.*

Item	Imports entered for consumption	Exports Canadian produce	Exports Foreign produce
Chemicals and Products—Con'd.):			
Paints, pigments and varnishes	70,780	18,352	905
Soap	42,191	.....	308
Inorganic chemicals	58,218	368,184	.....
Other drugs, dyes and chemicals, n.o.p.	168,698	215,471	5,668
Miscellaneous Commodities:			
Amusement and sporting goods	42,595	1,317	1,296
Brushes	7,744	28	93
Containers	121,970	395	146,797
Household and personal equipment	37,070	259	260
Mineral and aerated waters	281	94	.....
Musical instruments	15,274	35,839	4,269
Scientific and educational equipment	69,513	2,312	12,870
Ships and vessels	10,604	3,609	.....
Vehicles, n.o.p.	5,346	143	218
Works of art	4,725	3,653	16,051
Other miscellaneous commodities	1,384,285	1,649,900	63,451
Grand total	$30,078,188	$41,834,197	$ 1,659,695

RADIO RECEIVING SETS

Mr. MORAND:

1. What was the total number of radio receiving licenses issued in Canada during the year 1925?
2. What revenue was derived from this source?
3. What was the cost of collecting same?
4. What number of said licenses hae been issued so far this year?

Hon. Mr. CARDIN:

1. For the fiscal year ending 31st March 1925, 91,996.
2. $91,996.
3. $10,060.56 (includes advertising, printing, legal expenses, commission to dealers and salaries of typists).
4. For the fiscal year 1925-1926 to the 31st December 1925, 96,254.

ADVERTISING—EXPENDITURE

Sir HENRY DRAYTON:

What amount of money was spent by each of the different departments of the government in advertising Canadian conditions in Canada during the year 1925?

Hon. Mr. LAPOINTE: Department of Agriculture $15,000; Department of the Interior, $350; Department of Trade and Commerce, $2,893.82.

SUPERANNUATION AND PENSION SCHEMES PAYMENTS UNDER

Sir HENRY DRAYTON:

1. What amount of payments, other than for the current year, were made by those covered under the different superannuation and pension plans now existing, (a) in the year 1924; (b) in the year 1925?
2. What were the amounts payable by those covered by said plans, (a) for the year 1924; (b) for the year 1925?
3. What were the amounts paid to beneficiaries, (a) for the year 1924; (b) for the year 1925?
4. What is the estimate of the department of receipts and payments under the said plans for the year 1926?

Hon. Mr. ROBB:

1. (a) 1923-24, nil; (b) 1924-25,

Under Superannuation Act, 1924:

Transferred from Retirement Fund	$ 4,801,430 92
Arreas paid	204,051 20
Total	$ 5,005,482 12

2. (a) 1923-24,

Superannuation Fund No. 1	$ 8,722 24
Superannuation Fund No. 2	13,024 85
Total	$ 21,747 09

(b) 1924-25,

Superannuation Fund No. 1	$ 4,766 79
Superannuation Fund No. 2	9,598 74
Superannuation Act, 1924.	5,287,843 57
Total	$ 5,302,209 10

Rec'd on acct. of arrears.	$ 204,051 20
Rec'd on acct. current abatements..	282,361 45
Transferred from Retirement Fund..	4,801,430 92
Total..	$ 5,287,843 57

3. (a) 1923-24.

Superannuation Fund No. 1..	$ 748,787 75
Superannuation Fund No. 2..	40,891 37
Printing Bureau Retirements..	53,003 53
Retirement Act, 1920.. ..	417,342 77
Total..	$1,260,025 42

(b) 1924-25.

Superannuation Fund No. 1..	$ 705,507 80
Superannuation Fund No. 2..	40,522 28
Printing Bureau Retirements..	44,440 32
Retirement Act, 1920.	416,422 05
Superannuation Act, 1924.	8,015 54
Total..	$1,214,907 99

4. No estimate made. So far as the Superannuation Act, 1924, is concerned, no actuarial calculations can be made until the period of election allowed under the act terminates.

ROUYN RAILWAY

Sir HENRY DRAYTON:

1. Are the incorporators and provisional directors of the Rouyn Mines and Railway Company, described in the act of the legislature of the province of Quebec incorporating the said railway company as "Albert Henry Millward, clerk; Harold Fred MacPherson, clerk; Elmer Royce Moore, clerk; Howard James Spence, clerk; and John Threadgold, clerk, all of the City and District of Montreal," employees of the Canadian National Railway Company?

2. Are they still the directors of the said railway company and if not, who are?

3. Are they the capitalists referred to by the honourable the Minister of Railways and Canals at page 1290 of Hansard of 1925 and if not, who are such capitalists and how much money have they invested in the said railway?

4. Is the secretary of the said company, W. H. Nicholas, an employee of the Canadian National Railway Company?

5. To what amount have bonds of the said railway company been issued?

6. Has the government signed a lease of the railway under which the country becomes responsible for the payment of all interest and sinking fund payments under the said bonds and free from all Canadian taxes?

7. To what amount have the Canadian National Railways given an unconditional guarantee for the repayment of advances which have been or may be made on said bonds?

[Mr. Robb.]

8. What amounts have actually been advanced on such bonds under such guarantee?

9. Has any money from any other source been received by the Rouyn Railway Company and if so, how much and from whom?

10. Has any cash consideration been paid for any shares or capital stock of the said company and if so, how much?

11. How many shares of such stock have been issued and for what consideration?

Hon. Mr. ROBB:

1. The persons named were employees of the Canadian National Railway Company at the time of incorporation, and were appointed as provisional directors for temporary corporate purposes. The present directors are: Robert Adair, Charles M. Hart, Donat Raymond, Montreal; Harold Fowler, Clifton M. Miller, New York.

2. Answered by question No. 1.

3. The temporary directors mentioned in question No. 1 were not the capitalists referred to by the honourable the Minister of Railways. The syndicate which will finance the undertaking is Messrs. Dillon, Read & Company, and Messrs. White Weld & Company, of New York.

4. The Secretary and Treasurer is D. C. Grant, Vice-President of Finance, Canadian National Railways, who was so appointed to safeguard the funds.

5. No bonds have as yet been issued.

6. Yes.

7. Guarantee not yet given.

8. None.

9. Advances have been made by Canadian National Railway Company pending issue of bonds to amount of $130,500 to cover survey and engineering expenses.

10. Five hundred dollars was paid for five qualifying shares, one for each director.

11. Five shares at $100 each.

LATE GREGORY DOYLE, D.C.M.

Mr. LADNER:

1. Was the late Gregory Doyle, D.C.M., while in a dying condition removed from the Shaughnessy Military hospital to the Vancouver General hospital?

2. Did the said Doyle die within two or three days after such removal?

3. Was the late Gregory Doyle a veteran of the South African war and the Great war and also in receipt, at the time of such removal, of a pension on account of a disability suffered in the Great war?

4. Is it the intention of the government to make an enquiry into case of the said Gregory Doyle deceased?

5. Has the government given notices for the removal of other ex-service men in the Shaughnessy Military hospital to the General hospital or is it the intention of the government to remove for reasons corresponding to those of the late Doyle any of the men now in the Shaughnessy hospital to the said General hospital?

6. Is it the policy of the government to remove from the military hospitals of Canada to other non-government institutionss men who served in the Great war

and who are suffering from a war disability but who have an illness which cannot be directly attributed to war service?

Hon. Mr. MACDONALD:

1. No. 2539 former Private Gregory Doyle, L.S.H., applied for treatment at Shaughnessy hospital on December 27, 1925. He was admitted for observation and was found to be suffering from nephritis, a condition in no way attributable or related to his military service. Being ineligible for treatment by the department, arrangements were made for his admission to the Vancouver General hospital to which he was transferred on December 30. At the time of his transfer he was not critically ill, he did not undergo hardship nor suffer in any way because of the change, had his condition been sufficiently serious to contraindicate transfer he would have been retained in the Shaughnessy hospital. He was conveyed to the Vancouver General hospital by the department. Dr. Wallace Wilson who had attended him at Shaughnessy hospital continued to do so after his transfer. While in the Vancouver General hospital his condition became serious and resulted in his death on January 4, 1926.

2. Answered by No. 1.

3. Yes, (i) for an old fracture of the right thigh caused by a gun shot wound in the South African war, and, (ii) for hemiplegia, attributable to service in the war 1914-18.

4. Full reports have been received, they do not indicate grounds for further inquiry.

5. When a pensioner who is ill applies for treatment and there is a possibility that his illness is attributable to a war service disability, it may be necessary to admit him to hospital for observation to establish a diagnosis. When the condition is diagnosed and the disability is not related to military service, the department is without authority to provide treatment. In such circumstances it is the responsibility of the pensioner to make his own arrangements for further necessary treatment, but, it is invariably the practice of the department to undertake arrangements for his admission to a local General hospital.

6. Answered by No. 5.

HOME BREW PERMITS

Mr. HOCKEN:

How many permits to make home brew beer in the province of Ontario have been issued during the past four years?

Hon. Mr. BOIVIN:

Permits are not issued for the manufacture of home brew beer.

Section 199 of the Excise Act provides that any person desiring to use utensils solely for the purpose of brewing beer for the use of himself and his family shall give due notice of the possession thereof, and of his intention to use them for such purpose to the nearest collector or to the department at Ottawa. The number of such notices received by the department from persons in Ontario during the past four years was 3,334.

CANADIAN NATIONAL RAILWAYS—ATLANTIC REGION—MR. IVAN C. RAND, K.C.

Mr. PRICE:

1. Has Ivan C. Rand, K.C., of Moncton, New Brunswick, been appointed general counsellor of the Atlantic region, Canadian National Railways, in place of C. J. Milligan, deceased?

2. If so, on whose recommendation, by whose authority, and at what rate of compensation?

3. Why was the principle of promotion ignored?

4. Is it not a fact that the legal staff of the Canadian National Railways is overmanned?

Hon. Mr. ROBB:

1. Yes.

2. On the recommendation of the proper officers of the company and with the full authority and approval of the president. The management urge that it is not in public interest to state compensation.

3. That course was pursued which in the opinion of the administration best served the interests of the railway.

4. No.

CHARTERED LIMITED COMPANIES

Mr. MORAND:

1. How many limited companies with either provincial or federal charters are operating in Canada?

2. What is their authorized capital in preferred and common?

3. What is the paid-up capital in preferred and common?

4. What is the rate of dividend, if any, since 1917, year by year to 1925, and the amount paid in each case?

5. What is the amount of income tax paid by these companies?

Hon. Mr. LAPOINTE:

1. No information.

2, 3, and 4. Answered by No. 1.

5.

Fiscal years	Amounts
1918-1919	$ 1,376,829.47
1919-1920	7,068,426.32
1920-1921	13,849,297.95
1921-1922	38,863,757.79
1922-1923	28,022,145.81
1923-1924	28,546,692.78
1924-1925	31,091,274.37
Total	$148,818,424.49

During the fiscal years 1919 to 1921 inclusive, covering accounting periods of corporations which ended in 1917 to 1919 payments were made under the Business Profits

War Tax Act, 1916, when the tax payable under that Act exceeded the amount payable under Income War Tax Act—

Total collections during fiscal years 1919 to 1921 under Business Profits War Tax Act.

Fiscal years	Amounts
1918-1919..	$ 32,970,061.81
1919-1920..	44,145,184.48
1920-1921..	40,841,401.25

POSTAL SERVICE SALARIES

Mr. ROBINSON:

What action, if any, has been taken to implement the order in council, passed some time in October, ordering the Civil Service Commission to favourably regard application made by employees of the postal service for an upward revision of salaries?

Hon. Mr. LAPOINTE:

Authorized by the Order in Council of September 14, 1925, P.C. 1644, the matter is receiving the consideration of the Commission and the necessary report is being prepared.

CANADIAN GOVERNMENT MERCHANT MARINE SALE OF VESSELS

Mr. ANDERSON (Halton):

1. What vessels belonging to the Canadian Government Merchant Marine have been sold since January 1, 1922, and what price was realized for each?
2. Were they sold by auction or by tender?
3. What was the cost of construction of each?

Hon. Mr. ROBB:

1. T. J. Drummond, $110,000; J. A. McKee, $110,000; Sheba, £17,000; Canadian Miner, £20,000; Canadian Sealer, £20,000; Canadian Logger, $100,000; Canadian Pathfinder, $50,000; Canadian Engineer, $50,000; Canadian Adventurer, $40,000; Canadian Sailor, $40,000; Canadian Signaller, $40,000; Canadian Sower, $40,000; Canadian Trader, $40,000; Canadian Warrior, $40,000; Canadian Settler, $140,000. The purchaser finding it impossible to meet his payments on the Canadian Settler the Canadian Government Merchant Marine has taken repossession of the steamer.

2. Tenders were invited through the medium of extensive advertising in the public press and by correspondence with brokers and other likely interested parties in various parts of the world, the sales being consummated at prices in line with world market prices for tonnage of the type sold.

3. T. J. Drummond, $550,339.13; J. A. McKee, $521,514.11; Sheba, $151,099.90; Canadian Miner, $583,467.40; Canadian Sealer, $583,362.66; Canadian Logger, $704,120.54; Canadian Pathfinder, $957,232.90; Canadian Engineer, $1,018,102.81; Canadian Adventurer, $717,467.49; Canadian Sailor, $690,409.84; Canadian Signaller, $814,926.25; Canadian Sower, $716,856.63; Canadian Trader, $686,905.38; Canadian Warrior, $819,671.26; Canadian Settler, $985,273.34.

Mr. BLACK (Halifax):

1. Were any Canadian Government Merchant Marine boats sold during 1925? If so, what are their names?
2. On what dates were these steamers sold?
3. At what price was each steamer sold?
4. What was the cost of each of these steamers?
5. Upon what terms was each steamer sold, cash or credit? If the latter, what were the terms and conditions?
6. Where were these steamers built?
7. What is the dead weight capacity of each?
8. Were these boats sold by tender or otherwise?
9. Who were the purchasers of each steamer?
10. If the sales were by tender, how and in what newspapers were tenders advertised?

Hon. Mr. ROBB:

1. Yes. Canadian Pathfinder, Canadian Engineer, Canadian Adventurer, Canadian Sower, Canadian Sailor, Canadian Signaller, Canadian Trader, Canadian Warrior.

2. Canadian Pathfinder, Canadian Engineer, October 8, 1925; Canadian Adventurer, Canadian Sower, Canadian Sailor, Canadian Signaller, Canadian Trader, Canadian Warrior, October 14, 1925.

3. Canadian Pathfinder, $50,000; Canadian Engineer, $50,000; Canadian Adventurer, $40,000; Canadian Sower, $40,000; Canadian Sailor, $40,000; Canadian Signaller $40,000; Canadian Trader, $40,000; Canadian Warrior, $40,000.

4. Canadian Pathfinder, $957,232.90; Canadian Engineer, $1,018,102.81; Canadian Adventurer, $717,467.49; Canadian Sower, $716,856.63; Canadian Sailor, $690,409.84; Canadian Signaller, $814,926.25; Canadian Trader, $686,905.38; Canadian Warrior, $819,671.26.

5. Canadian Pathfinder, Canadian Engineer, $10,000 cash deposit and the balance, $40,000 per ship to be paid in four equal annual payments with interest at 6% payable semi-annually. Canadian Adventurer, Canadian Sower, Canadian Sailor, Canadian Signaller, Canadian Trader, Canadian Warrior, 10% or $4,000 cash payment, the balance $36,000 per ship to be paid in four equal annual payments with interest at 5% payable semi-annually.

6. Canadian Pathfinder, Collingwood Shipbuilding Co., Toronto, Ont.; Canadian Engineer, Collingwood Shipbuilding Co., Toronto, Ont.; Canadian Adventurer, Port Arthur Shipbuilding Co., Port Arthur, Ont.; Canadian Sower, Port Arthur Shipbuilding Co., Port Arthur, Ont.; Canadian Sailor, Port Arthur Shipbuilding Co., Port Arthur, Ont.; Canadian Signaller, Collingwood Shipbuilding Co., Collingwood, Ont.; Canadian Trader, Port Arthur Shipbuilding Co., Port Arthur, Ont.; Canadian Warrior, Collingwood Shipbuilding Co., Collingwood, Ont.

7. Canadian Pathfinder, 3,640 tons; Canadian Engineer, 3,679 tons; Canadian Adventurer, 3,408 tons; Canadian Sower, 3,406 tons; Canadian Sailor, 3,557 tons; Canadian Signaller, 3,975 tons; Canadian Warrior, 3,995 tons.

8. Tenders were invited through the medium of extensive advertising in the public press and by correspondence with brokers and other likely interested parties in various parts of the world, the sales of the above steamers being consummated after negotiations with the purchasers at prices in line with world market prices for tonnage of the type sold.

9. Canadian Pathfinder, Canadian Engineer, to N. M. Paterson & Co. Ltd., Fort William, Ont.; Canadian Adventurer, Canadian Sower, Canadian Sailor, Canadian Signaller, Canadian Trader, Canadian Warrior, to James Playfair, Midland, Ont.

10. See answer to Question 8—The advertisement was given very wide circulation in the newspapers throughout Canada.

CANADIAN NATIONAL RAILWAYS—INDEBTEDNESS

Sir HENRY DRAYTON:

1. What was the funded and unfunded debt of the Canadian National Railways and affiliated companies as of the first of January in each of the years 1923, 1924, 1925 and 1926?

2. How much of the said debt at such times represented obligations of the system, (a) to the government; (b) to the public?

3. What was the amount of floating or undistributed indebtedness not taken into capital account on the first of January, 1926?

Hon. Mr. ROBB:

1. The long term debt of the Canadian National Railway system was as under:—

December 31, 1922—	
Debt to public...	$ 804,503,144 06
Debt to government, including interest...	574,550,601 37
Total...	$1,379,053,745 43
December 31, 1923—	
Debt to public...	$ 823,099,056 10
Debt to government including interest...	666,539,749 52
Total...	$1,489,638,805 62
December 31, 1924—	
Debt to public...	$ 913,913,082 80
Debt to government including interest...	690,555,949 92
Total...	$1,604,469,032 72

The figures as of December 31, 1925, are not yet available but approximate figures will be furnished very shortly.

The foregoing statement does not include investments in road and equipment, Canadian Government Railways, which, on the dates mentioned, stood as follows:

December 31, 1922... ...	$442,195,400 22
December 31, 1923... ...	447,643,526 03
December 31, 1924... ...	451,712,484 98

To offset the inclusion of this investment among the assets the above amount is included with the liabilities in the Canadian National Railway balance sheet. However, it is not an obligation of the Canadian National Railway Company, is non-interest bearing so far as the railway is concerned, and is not included in the item: "Debt due to government, including interest," which has to do only with advances to former privately owned railways.

2. See answer to question No. 1.

3. Nil.

VANCOUVER HARBOUR—ENGINEERING FEES

Hon. Mr. STEVENS:

What is the total amount paid for engineering fees for all public works under the harbour board or the Department of Public Works, including Government elevators, second Narrows bridge, piers, etc., at the Port of Vancouver during the years 1922, 1923, 1924 and 1925, (a) to A. D. Swan & Co., engineers, Montreal; (b) to the regular staff of the Vancouver Harbour Commissioners; (c) to local engineers not members of the staff; (d) to engineers not resident in British Columbia?

Hon. Mr. CARDIN:

Department of Marine and Fisheries

	1922	1923	1924	1925	Total
A. D. Swan & Co., Montreal..	$ 45,982 00	$ 37,473 17	$ 22,471 23	$ 1,000 00	$106,816 40
Commissioners' Staff...	11,148 80	15,224 33	20,378 92	18,958 12	65,710 17
Local Engineers...	.....	46,282 43	43,796 00	84,784 21	174,862 64
Non Resident of B.C.	.....	.....	1,110 00	27,100 50	28,210 50
Total.....	$ 57,020 80	$ 98,979 93	$ 87,756 15	$131,842 83	$375,599 71

Department of Public Works

(a) No information.

(b) $420 to W. G. Swan, Chief Engineer, Vancouver Harbour Commission, for services on the board of inquiry, Second Narrows bridge.

(c) No information.

(d) No information.

AUDITOR GENERAL'S OFFICE—REORGANIZATION

Sir HENRY DRAYTON:

1. What, if any, reorganization and systematization has been made in the office of the Auditor General, as provided for by authority of the vote under contingencies, set out at page 71 of the Estimates for the year ending March 31, 1926, reading as follows,—

"Extra help including expert assistance in connection with reorganization and systematization of the office of the Auditor General. Appointments for this purpose and increases of salary to be made without reference to and notwithstanding the provisions of the Civil Service Act, $10,000."

2. What were the number of employees of all kinds in the office of the Auditor General for the calendar years 1921, 1922, 1923, 1924 and 1925?

Hon. Mr. ROBB:

1. As a part of the general reorganization of the office and in order to cover special duties and special investigations connected with such reorganization the following appointments were made under the authority of that part of the Contingencies Vote of this office quoted above:

Mr. R. de la Durantaye appointed head clerk.

Mr. O. N. Edwards, C.A., apointed for about three months to make special investigations.

2.

Year	Regular Staff	Elections Staff
1921..	175	34
1922..	186	13
1923..	213	—
1924..	204	—
1925..	197	30

CANADIAN GOVERNMENT MERCHANT MARINE OIL BURNERS

Hon. Mr. STEVENS:

1. Is the Government aware that the Canadian Government Merchant Marine have ordered the conversion of four ships operating on the Pacific coast into oil burners?

2. In authorizing or approving of the abandonment of coal as fuel for these ships has the government taken into consideration the injury to the Vancouver island coal industry?

3. Has the government or the Canadian Government Merchant Marine any assurance that fuel oil prices will not advance in the future. If so, is such assurance in the form of definite contracts?

[Mr. Stevens.]

4. From whom and at what price is the fuel oil purchased for the use of the Canadian Government Merchant Marine ships operating on the Pacific coast?

5. In accordance with the pledge given by Mr. King that the "coal industry of the Pacific coast would be investigated and careful consideration given to its claims." Has any such investigation been made? If so, when was the report made, and by whom?

Hon. Mr. ROBB:

1. Yes. The special committee on National Railways and Shipping during the 1925 session of Parliament unanimously reported in favour of voting $668,000 for the Canadian Government Merchant Marine for the fiscal year ending March 31, 1926, included in which was an item of $50,000 for converting four steamers operating in the coastal trade between Vancouver and California to oil burners. It is estimated that this alteration will result in the saving of approximately $13,000 per steamer per year in operating expenses.

2. The amount of coal consumed by the four steamers per annum is so small that there should be no material injury to the Vancouver island coal industry.

3. None; other than protection afforded by the present contract with the Imperial Oil Company.

4. From the Imperial Oil Company which is the only company with tanks on Canadian National property for handling the oil. The maximum price in the contract is considerably below the market price and there are certain clauses in the contract protecting the management against a decline in the market; that is, the management have a low maximum price which is reduced if the market drops but does not advance if the market goes up. It is considered to be detrimental to the public interests to disclose the price.

5. The Department of Railways, or the management of Canadian National Railways have no information concerning any such pledge. Question contains alleged statement of facts and is therefore not in accordance with the rules.

CANADIAN NATIONAL RAILWAYS—TICKET OFFICES IN TORONTO

Mr. MANION:

1. Who is the owner of the property at the corner of King and Yonge streets, Toronto, which was formerly used for the sale of tickets for the Canadian National Railways?

2. When were these offices vacated and for what purposes are they now being used?

3. Have the National Railways any office for the sale of tickets located in the City of Toronto except at the Union station? If so, at what point?

4. Were the National Telegraphs staff and appliances removed from the corner of Wellington and Scott streets in Toronto to the corner of King and Yonge Streets, and at what date?

5. Have the staff and appliances of the National Telegraphs been removed from the offices at the corner of King and Yonge streets and at what date, and where are they now located?

6. Was a deposit made respecting the erection of a skyscraper at the corner of King and Yonge streets? If so, has such deposit been forfeited, and what is the amount thereof?

Hon. Mr. ROBB:

1. His Majesty the King in the right of the Dominion of Canada.

2. September 19, 1925; now vacant.

3. Yes; at the corner of King and Toronto Streets, Sunnyside, Parkdale and Danforth stations.

4. The staff and the appliances of the operating department, Canadian National Telegraph Company were removed from the corner of Wellington and Scott streets, Toronto, to the corner of King and Yonge streets, the transfer being completed on September 14, 1924.

5. The staff and appliances of the Canadian National Telegraph Company were transferred from the corner of King and Yonge streets, Toronto, to the corner of Wellington and Scott streets, the movement being completed August 21, 1925.

6. Yes. Further negotiations now in progress will determine whether deposit ($25,000) will be forfeited.

GREAT LAKES LEVELS—GEORGIAN BAY PORTS

Mr. NICHOLSON:

1. Has the attention of the Government been drawn to the exceptionally serious situation created at the small ports on Georgian bay, particularly on the north shore and on the Manitoulin island, because of the marked lowering in the level of the lakes?

2. If so, what action is proposed to relieve this situation and provide facilities enabling usual traffic vessels to enter these ports?

Hon. Mr. LAPOINTE:

1. Yes.

2. Individual cases are investigated as representations are made, and additional depth is provided as circumstances warrant.

COAL CONSUMPTION IN CANADA

Mr. CAHAN:

What quantity of coal was consumed in Canada during each year since 1917.

Hon. Mr. ROBB:

Calendar Year	Total (Short tons)
1916	29,865,856
1917	33,123,735
1918	34,771,832
1919	28,904,425
1920	32,779,108
1921	31,017,796
1922	26,067,877
1923	36,060,915
1924	29,254,137

AUTOMOBILE IMPORTS

Mr. SUTHERLAND (South Oxford.:

1. How many passenger automobiles were imported into Canada during each of the years 1922, 1923, 1924 and 1925?

2. What was the value of automobiles so imported and amount of customs duty collected?

3. What was the value of auto parts imported during the years mentioned and amount of duty collected?

4. What was the number and value of automobiles and also auto parts exported during the years mentioned in question No. 1?

Hon. Mr. ROBB:

1, 2 and 3.

Fiscal Years ended March 31	Passenger Automobiles Imported			Auto Parts Imported	
	Number	Value	Duty Collected	Value	Duty Collected
		$		$	
1922	7,181	9,501,362	3,278,259 28	10,211,791	3,053,875 00
1923	11,402	11,857,165	4,133 321 38	14,134,874	4,313,673 95
1924	9,549	9,532,350	3,316,369 99	16,808,323	5,123,078 47
1925	8,835	8,726,714	3,038,851 83	14,188,715	4,290,851 37

4.

Fiscal Years ended March 31	Automobiles, Passenger Exported (Canadian Produce)		Automobiles, Freight Exported (Canadian Produce)		Auto Parts Exported (Canadian Produce)
	Number	Value	Number	Value	
		$		$	
1922	13,428	7,421,619	1,296	611,185	1,151,453
1923	45,108	25,606,350	3,720	1,444,549	2,355,066
1924	54,522	27,246,025	15,396	5,496,272	4,162,787
1925	44,317	22,011,970	11,773	4,018,419	4,911,736

IMPORTS OF HIDES, SKINS AND RAW WOOL

Mr. SUTHERLAND (South Oxford):

1. What was the quantity and value of hides and skins imported into Canada from and including the years 1922 to 1925?
2. What amount of customs duty was collected on same?
3. What was the quantity and value of hides and skins expored from Canada during the years mentioned?
4. What quantity of raw wool was imported into Canada during the years mentioned in question 1; also value of same and amount of customs duty collected?
5. What was the quantity and value of raw wool exported during these years?

Hon. Mr. ROBB:

1 and 2.

Hides and Skins Imported

Fiscal Years ended March 31	Quantity	Value	Customs Duty Collected
	Pounds	$	
1922.. ..	42,468,989	5,897,312	All free
1923.. ..	45,460,853	7,947,268	goods. No
1924.. ..	46,157,990	7,297,487	duty collected
1925.. ..	50,258,815	8,279,492	

NOTE.—The above figures include all imports under Item 599 of the customs tariff which reads hides and skins, raw, whether dry, salted or pickled, and raw pelts. This covers calf, cattle, sheep and other skins, exclusive of furs.

3.

Exports of Calf, Cattle, Horse and Sheep Hides and Skins (Canadian Produce)

Fiscal Years ended March 31	Quantity Hundredweight	Value $
1922	413,098	4,000,291
1923	583,697	7,355,717
1924	492,344	5,612,467
1925	545,891	7,101,337

Exports of Other Hides and Skins, Except Furs (Canadian Produce)

1922..	Quantity	27,136
1923..	Statistics	44,234
1924..	not	41,686
1925..	available	62,557

4.

Imports of "Wool and the hair of the camel, alpaca, goat and other like animal, not further prepared than washed, n.o.p."

Fiscal Years ended March 31	Quantity	Value	Customs Duty Collected
	Pounds	$	
1922	12,586,695	3,160,302	Free Goods.
1923	18,255,595	5,073,315	No duty
1924	19,321,730	6,837,781	Collected
1925	14,362,890	6,867,497	

Leicester, Cotswold, Lincolnshire, South Down combing wools, or wools known as lustre wools, and other like combing wools, such as are grown in Canada.

	Quantity	Value	Customs Duty Collected
	Pounds	$	$ c.
1922..	75,117	18,774	2,253 51
1923..	17,749	5,614	532 17
1924..	.....	.....	.....
1925..	.....	.....	.....

5.

Exports of Raw Wool (Canadian Produce)

Fiscal Years ended March 31	Quantity Pounds	Value $
1922..	1,034,433	242,045
1923..	8,667,400	2,363,931
1924..	6,009,079	1,947,234
1925..	5,625,265	2,434,524

UNITED STATES MAGAZINES AND PERIODICALS

Mr. HOCKEN:

How many tons of magazines, periodicals and newspapers published in the United States came into Canada during the year 1925?

Hon. Mr. BOIVIN:

Customs records do not include the weight of such printed matter imported.

Newspapers, and quarterly, monthly and semi-monthly magazines, and weekly literary papers, unbound were imported from the United States during the fiscal year ended March 31, 1925, to the value of $2,758,566.

This does not include the value of United States publications mailed by the publishers direct to individual subscribers in Canada.

PEIGAN INDIAN RESERVE—SALE OF CALVES

Mr. COOTE:

1. How many calves were raised on the Peigan Indian reserve during the calendar year 1925?
2. How many of these calves have been shipped from the reserve?
3. Were these calves sold and, if so, what was the average price obtained?
4. How much of such price was paid to the Indians?
5. Was the consent of the Indians asked and obtained as to the sale of these calves?
6. How many calves have been slaughtered during the year?
7. How many calves have been retained on the Reserve for breeding purposes?

Hon. Mr. STEWART:

1. 509.
2. 249.

3. These calves were sold to Indians on other reserves as follows:

Moose Mountain Reserve .. .. 62 head
Crooked Lakes Reserve .. .. .. 125 head
Qu'Appelle Reserve .. .. 62 head

at an average price of $12.00 a head.

4. This price will be paid to the Indians in full, and vouchers for same are being submitted.

5. Yes.

6. None.

7. 260.

VANCOUVER GRAIN EXPORTS—PERMIT SYSTEM

Hon. Mr. STEVENS:

1. Having reference to the export of grain via Vancouver, is it necessary before such grain can be shipped from points in the prairie provinces for the shipper to secure a permit?

2. If so, from whom is such permit obtained?

3. Upon whose authority has the "permit system" been inaugurated?

4. Is such permit system operated under the provisions of the Canada Grain Act and by authority of the Board of Grain Commissioners?

5. With the existing elevator capacity at Vancouver why has it been necessary to enforce the "permit system" during the months of December and January?

6. Is it the intention of the Government, through the Board of Grain Commissioners, to insist upon the said permits being secured before grain can be exported via the port of Vancouver?

Hon. Mr. ROBB:

1. Under present conditions it is necessary, before grain can be shipped from points in the prairie provinces, for the shipper to secure a permit. A sufficient number of permits are issued by the railways to shippers including individual farmers, to permit of the port of Vancouver having sufficient grain on hand at all times to enable capacity unloading.

2. Permits are only obtainable from the railway companies.

3. In 1923, the first year that grain started to move to the port of Vancouver in any volume, there was no permit system, with the result that in a few weeks both railroads were badly congested by cars under load at the coast and in transit which made it necessary to place an embargo until the accumulation was cleaned up. As a result of this the railway companies thereupon decided that, owing to the limited facilities at Vancouver, it would be preferable to handle the movement of grain to that port under permit system and this system was put into effect by both railways in 1923. In view, however, of the criticism against this system the railroads, in the fall of 1925, decided to abolish the permit system and again accepted shipments for that port without any restrictions whatever. Early in November, 1925, the railways were faced with a large accumulation of cars under load for the port of Vancouver. Many of the cars contained out-of-condition grain, only a limited number of which could be unloaded and treated daily in the elevators, owing to the drying facilities at this port being limited to 60,000 bushels per day. In view of this critical condition and after canvassing the situation, the railroads decided to place an embargo, effective Nov. 14th, 1925, on all grain destined to Vancouver, and in the meantime the board understands resolutions were passed by several interested public bodies, requesting that the railroads reinstate the permit system to govern the movement of grain to the Pacific coast. The railways, therefore, reinstated the permit system last December.

4. No.

5. In December, 1925 and January, 1926 the movement of grain into the port of Vancouver and the exports from that port were the heaviest in the history of the port. The railway companies issued a large number of permits with the result that, according to information received by the Board of Grain Commissioners, there were over four thousand (4,000) cars under load en route to Vancouver on February 1st, 1926, in addition to which the elevators at this port are practically filled. Many of the cars now under load contain tough and damp grain, which grain can only be unloaded by the elevators at Vancouver at the rate of sixty (60) cars per day. Therefore, until the present accumulation has been reduced, the railways have been compelled to curtail the issuance of permits covering the movement of grain to the coast.

6. The Canada Grain Act does not give the Board of Grain Commissioners any jurisdiction over the issuance of permits by the railway companies.

MONTREAL GRAIN SHIPMENTS

Mr. COOTE:

1. How many bushels of Canadian grain were shipped through the port of Montreal during the years 1922, 3, 4 and 5?

2. How many bushels of American grain were shipped through the port of Montreal during the years 1922, 3, 4 and 5?

Hon. Mr. ROBB:

Canadian Grain	Bushels
1922—	
Domestic shipments..	10,882,335
Export shipments..	72,208,434
Total..	83,090,769

1923—	
Domestic shipments..	12,765,526
Export shipments..	80,417,221
Total..	93,182,747
1924—	
Domestic shipments..	14,085,325
Export shipments..	86,069,185
Total..	100,154,510
1925—	
Domestic shipments..	13,775,144
Export shipments..	105,181,320
Total..	118,956,464
United States Grain	Bushels
1922—	
Domestic shipments..	2,500,405
Export shipments..	75,672,996
Total..	78,173,401
1923—	
Domestic shipments..	1,049,312
Export shipments..	33,380,307
Total..	34,429,619
1924—	
Domestic shipments..	888,861
Export shipments..	66,146,742
Total..	67,035,603
1925—	
Domestic shipments..	959,835
Export shipments..	51,627,027
Total..	52,586,862

CONFERENCE OF PROVINCIAL PREMIERS

Mr. LADNER:

1. Is it the intention of the government to call a conference before July of the premiers of the provinces of Canada?

2. It is the intention of the government to submit to such conference or a later conference any proposal respecting Old Age pensions?

3. It is the intention of the government to arrange for a meeting with the premiers of the various provinces with a view to arriving at a scheme for a co-operative Old Age pension?

4. Is it the intention of the government to carry out the recommendations of the Old Age pension committee, the report of which was submitted to the House of Commons on June 18, 1925, and duly concurred in by a vote of the said House?

5. Is it the intention of the government to submit some scheme to such conference looking to gaining for Canada the power to amend its constitution?

6. Is it the intention of the government to carry out the promise of the Hon. the Minister of Justice given in the House of Commons the 18th day of February, 1925, in the following words:—"If I remember well the language of the Speech from the Throne, it is that a conference shall be called together for the purpose of considering amendments to the British North America Act with respect to the constitution of the Senate and other matters. Surely this (referring to the resolution of Mr. W. F. Maclean respecting an amendment to the British North America Act to enable Canada to amend her own constitution) would be one of the matters which the government would submit to such a conference?

7. What steps, if any, has the government taken to call together such conference?

8. When and where will such conference of premiers take place?

Right Hon. Mr. MACKENZIE KING:

1. No.

2. Answered by answer to No. 1.

3. No.

4. Answered by answer to question No. 1.

5. Answered by answer to No. 1.

6. The government has in no particular altered its intention in this matter.

7. Up to the present time no steps have been taken.

8. To be decided in due course.

PUBLIC PRINTING—EXPENDITURE

Mr. SUTHERLAND (South Oxford):

1. What amount has been spent through the Department of Public Printing and Stationery for public printing done outside the department, since January 1, 1922?

2. What firms or individuals have been paid sums in excess of $50,000, and how much was paid to each?

3. What amount has been spent by the government since January 1, 1922, through the Department of Immigration and Colonization aside from the Department of Public Printing and Stationery?

4. What amount of the sum spent by the department of Immigration and Colonization has been paid to the firm of Rand McNally & Company of Chicago since January 1, 1922?

Hon. Mr. LAPOINTE:

Department of Public Printing and Stationery

1. The total amount spent through this department from January 1, 1922 to December 31, 1925 for public printing aside from that done by the Printing Bureau may be divided generally into classes as follows:

A. Letterpress printing which because of the printed matter being (i) in a language of unusual type characters, or (ii) because on other special grounds the work cannot be economically performed in the Printing Bureau, or (iii) because the work is of an urgent nature and the Printing Bureau is too severely pressed to perform it by the date required...	$ 264,618 73	
(iv) Money Orders:—Prior to November 20, 1923 this work was letterpress printing of a character which could not be economically executed in the government Printing Bureau; the amount of such to December 31, 1925 is..	139,402 09	
		$ 404,090 82

B. The general form of the money order was altered on November 20, 1923 so that from that date it became a lithographic process which had the advantage of lowering costs; conditions however permitting the new form to be introduced but gradually. The amount to December 31, 1925 is..	$ 107,926 74	
Work involving processes such as lithography, photo-engraving, etc., for which the Printing Bureau is not equipped..	689,872 13	
		$ 797,798 87
Total amount outside the Department..		$ 1,201,889 69

2. Names of firms who have been paid sums in excess of $50,000 as follows:

Pembroke Observer, Pembroke Ont..	$ 65,864.72
Federal Publishing Co., Ottawa, Ont.	50,874.49
Mortimer Co. Ltd., Ottawa, Cnt.	151,664.45
Miller Lithographing Co., Toronto..	256,988.84
Gazette Printing Co., Montreal Que.	85,693.70
Montreal Lithographing Co., Montreal, Que.	78,703.11
La Patrie, Montreal, Que. ..	70,381.14

3. No information.
4. Answered by No. 3.

Department of Immigration and Colonization
1. No information.
2. Answered by No. 1.
3. $446,347.01.
4. $367,778.61.

Department of Health
1. $1,082.30.
2. No information.
3. No information.
4. No information.

IMPERIAL BUILDING—HAMILTON

Mr. WILSON (Wentworth):

1. What does the government pay in rent for the federal income tax office in the Imperial building at Hamilton, Ontario?
2. Is it the intention of the department to move from the Imperial building to the Lennox building at Hamilton?
3. If so, what is the rent of the new quarters in the Lennox building to be?
4. What reasons are given for making the change in premises and who are the executors of the Lennox estate?

Hon. Mr. KING (Kootenay):

1. $9,150 per annum.
2. Yes.
3. $7,500 per annum.
4. Building situated a short distance north of general post office and is in a first-class location for purposes of taxation branch. It has a greater floor area, 8,340 sq. ft. as against 8,080 sq. ft., and the rental is $1,650 per annum less—the rate being 90 cents as against $1.13 per sq. ft.

Executors Lennox Estate—James Chisholm and Thos. B. McQuesten.

VANCOUVER HARBOUR COMMISSION GRAIN JETTY—DREDGING

Hon. Mr. STEVENS:

1. Was a contract awarded for dredging the No. 1 grain jetty at Vancouver?
2. If so, to whom was the said contract awarded, and what was the contract price?
3. What amount was awarded to the said contractors by the engineering staff of the Harbour Commissioners as extras for delays?
4. After the fixing of the extras by the engineers of the Harbour Commissioners, were the said amounts increased, and if so, on whose recommendation, and by what authority?
5. What was the total amount paid to the dredging contractor for this work?

Hon. Mr. CARDIN:

1. Yes.
2. North West Dredging Company, Limited, contract price $468,550.
3 and 4. The Commissioners' engineers recommend payment of extras amounting to $37,868.40 due to work having been held up by injunction proceedings and the subsequent manner in which the work was compelled to be done as a result of the injunction, but the contractors claimed a much larger amount. To avoid litigation, an arbitration was agreed upon and Mr. A. D. Swan, consulting engineer of Montreal was chosen sole arbiter. Mr. Swan heard the evidence on both sides in an exhaustive inquiry and his verdict was an award to the contractors for an amount of $66,986.87.
5. Total amount paid to the dredging contractor was $535,536.89. The estimate of the Commissioners' engineers approved for the work was $582,515, and the completed cost of the work, consequently, was $45,978,11, less than the approved estimate.

VANCOUVER DRILL HALL

Hon. Mr. STEVENS:

1. During the month of December, 1925, was it necessary to secure additional space for the handling of mail in the city of Vancouver?
2. If so, from whom was such space secured?
3. Was the drill hall at Vancouver used for the purpose of sorting and despatching Christmas parcel mail in the years 1923 and 1924?
4. Was the said drill hall used for such purposes in 1925?

5. What was the total amount paid for additional space for the handling of Christmas mail in 1925?
6. To whom was such sum paid?

Hon. Mr. KING (Kootenay):

1. Yes.
2. Crone Storage Co., Ltd.
3. Yes.
4. No. Application was made to National Defence, for use of drill hall but was refused.
5 and 6. $250.00 for rental paid to Crone Storage Co. Ltd., Vancouver—$179.50 for installing temporary equipment paid to Harrison & Lamond.

SOLDIERS' CIVIL RE-ESTABLISHMENT—DOCTORS' SALARIES

Mr. GARLAND (Bow River):

1. What was the total number of medical doctors on the payrolls of the department of Soldiers' Civil Re-establishment on December 31, 1925 (a) full time; (b) part time?
2. What was the total amount of salaries payable to the medical doctors mentioned (a) as to full time; (b) as to part time?

Hon. Mr. MACDONALD:

1 and 2.

(a)

	No. Employed	Annual Rate
In executive capacities . .	25	$ 111,185
As pension examiners . .	33	130,385
In active treatment of patients	41	147,582
	99	$ 389,152

(b)

In executive capacities . .	6	$ 12,780
As pension examiners . .	28	64,302
In active treatment of patients	73	145,698
	107	$ 222,780

CUSTOMS PREVENTIVE SERVICE

Mr. GARLAND (Bow River):

Under Vote No. 493 Supplementary Estimates year 1925-26, being $350,000 for the prevention of smuggling service,—

1. How have these appointments been made?
2. What have been the qualifications required of applicants?
3. How many appointments have been made?
4. What is the expenditure to date for this service?
5. Has the result of this preventive service been wholly satisfactory?
6. Is the government satisfied that this service should be exempt from open, competitive, qualifying examination?

[Mr. Stevens.]

Hon. Mr. BOIVIN:

1. By the Minister of Customs and Excise.
2. Ability to do preventive service work, honesty and integrity, willingness to follow instructions and the recommendation of responsible persons.
3. 67.
4. $23,162.63.
5. No.
6. Yes.

FREDERICTON EXPERIMENTAL STATION

Mr. HANSON:

1. What was the total cost of the construction of the new residence for the superintendent of the Dominion experimental station at Fredericton, New Brunswick?
2. Was it done by day's work or by contract?

Hon. Mr. MOTHERWELL:

1. $12,936.81, expended in two years as rapidly as stone, suitable for house building purposes, could be gathered off the land.
2. Day labour.

PICTON, ONTARIO, ARMOURIES

Mr. HUBBS:

1. On what date was the roof blown off the armouries at Picton, Ontario, and when did the work of repairing same begin?
2. What was the total cost of repairing?
3. What is the estimated cost of repairing the floors and replacing ceilings, walls, woodwork, furniture and soldiers' equipment?
4. What is the estimated loss occasioned by the delay in repairing roof?

Hon. Mr. LAPOINTE:

1. (a) July 16, 1925.
(b) Contract awarded September 14 and contractor notified September 16.
2. $4,122.20.
3. $6,235 for structural repairs. With regard to soldiers' equipment there was no damage to clothing, equipment or arms.
4. The greater part of damage was done when roof was blown off and subsequent weather conditions could not materially increase the damage.

MR. ANDREW B. COOK

Mr. HANNESSON:

1. Has a war pension been granted to one Andrew B. Cook of Fort Qu'Appelle, Saskatchewan?
2. If so, on what grounds, when and for what amount?
3. From what date has it been paid, and for what amount was first payment?
4. To whom was application for said pension first submitted?
5. Who were the medical examiners who passed on this application?
6. What was the record of military service of the said Andrew B. Cook?
7. What are the dates and amounts of all payments made to the said Cook?

Hon. Mr. LAPOINTE:

1. Yes.

2. (a) for a disability incurred on active service; (b) pension award was made June 17, 1925; (c) a 5 per cent disability pension from date of discharge—29th July, 1917, to the 31st December, 1924; a 15 per cent disability pension from the 1st January, 1925 for an indefinite period.

3. (a) Answered by No. 2. (b) $443.42.

4. Application was made in the usual way to the Unit Office of the Department of Soldiers' Civil Re-establishment at Regina.

5. The regular Pension Examiners of the department and the medical advisers of the Board of Pension Commissioners dealt with the application in accordance with established procedure and submitted a recommendation to the board. It is not considered in the public interest to disclose the names of individuals who deal with pension applications; the Board of Pension Commissioners is fully responsible for all awards of pension.

6. Captain Andrew Burton Cook, retired list, was first appointed to a commission as a lieutenant in the 95th Saskatchewan Rifles, non-permanent active militia, on the 22nd December, 1914. On the 16th February, 1916, he received an appointment as quartermaster with the rank of captain in the 195th Battalion, C.E.F., and proceeded overseas with that unit on the 31st October, 1916. While in England he was transferred to the 2nd Canadian Labour Battalion on the 26th December, 1916, with the same military status of quartermaster and proceeded to France with that unit on the 10th February, 1917. He was granted 10 days' leave to England on the 13th June, 1917, but was retained there and transferred to the British Columbia Regimental Depot, Seaford, on the 24th June, 1917, for return to Canada. He arrived in Canada for disposal by the Adjutant General on the 10th July, 1917, and was struck off the strength of the C.E.F. as surplus to requirements on the 28th July, 1917. Captain Cook was placed on the corps reserve of his non-permanent active militia unit and on the 24th July, 1924, was permitted to retire retaining his rank.

7. Cheque A—9778 —$443.42 Arrears to 30-6-25; cheque F—47426—$12.50 July, 1925; cheque G—47546—$12.50 August, 1925; cheque H—47695—$12.50 September, 1925; cheque K—47911—$12.50 October, 1925; cheque L—48011—$12.50 November, 1925; cheque M—47703—$12.50 December, 1925; cheque A—27263—$208.43 Allowance for wife and child to 31-12-25; cheque N—57071—$18.50 January, 1926. Total $745.35.

FORT QU'APPELLE SANATORIUM

Mr. HANNESSON:

1. Has any government inspector visited the Anti-Tuberculosis Sanatorium at Fort Qu'Appelle, Saskatchewan, for the purpose of reporting on the advisability of establishing a post office there?

2. If so, what is the nature of his report?

3. Why was said inspector sent to visit the said institution and upon whose request?

4. From the point of view of public health, would any good purpose be served by having a post office within the premises of the said institution?

5. Has any recommendation been made as to who would be the postmaster in event of said post office being opened, and by whom?

6. If so, what is the name of the person suggested?

Hon. Mr. LAPOINTE:

1. Yes.

2. The application for a post office is recommended for favourable consideration, provided it is the practice of the department to open post offices under the conditions which obtain there.

3. It is the usual practice of the Post Office Department to send an inspector to enquire into cases of applications for new post offices where, in the opinion of the district superintendent, the case is one to be dealt with by a personal visit. Application for post office was made by Mr. A. B. Cook, managing director of the sanatorium.

4. If post office is established it would be on the grounds of public service.

5. Yes. By Mr. A. B. Cook, managing director of the sanatorium and by the inspector's report.

6. Mr. W. H. Madden, an official of the sanatorium.

NATURAL RESOURCES—MANITOBA—REVENUE

Mr. WARD:

What is the total amount of revenue collected from all sources of the province of Manitoba's natural resources in the years 1920, 1921, 1922, 1923, 1924 and 1925?

Hon. Mr. LAPOINTE:

Department of the Interior

	Dominion Lands	School Lands
1919-20	$234,641 93	$663,039 84
1920-21	246,287 92	408,349 99
1921-22	253,419 94	203,795 51
1922-23	192,731 64	104,990 33
1923-24	190,571 49	64,392 97
1924-25	215,651 43	69,900 83
1925-26 (8 months)	156,548 00	38,137 96
	$1,489,852 35	$1,552,607 43

Department of Marine and Fisheries—for Fisheries Licenses:

1920-21..	$17,792 58
1921-22..	11,636 54
1922-23..	12,736 68
1923-24..	15,683 38
1924-25..	17,388 54
1925-26 to 31 December, 1925	10,184 01

CANADIAN NATIONAL RAILWAYS—ELMSDALE STATION

Mr. FOSTER:

1. How much money has been expended on the cellar drain for the new station at Elmsdale, Nova Scotia?
2. Is the work on the cellar drain complete? If not, how much more will be required to finish it?
3. Have any temporary facilities been afforded for loading and unloading cars?
4. Is it proposed to increase siding space?

Hon. Mr. ROBB:

1. $1,704.42.
2. Yes.
3. Two permanent platforms are under construction.
4. No.

ENFIELD, NOVA SCOTIA—WHARF REPAIRS

Mr. FOSTER:

1. What is the cost of repairs made at the loading wharf, Enfield, Hants county, Nova Scotia?
2. Is the work completed? If not, why?

Hon. Mr. ROBB:

1. $52 to date.
2. No, account weather conditions.

DOOR LOCKS AND FASTENINGS—IMPORTS

Mr. TUMMON:

1. What were the quantities and value of iron, steel, brass, copper, and plated door locks and fastenings imported into Canada during the fiscal year just closed?
2. From what countries did they come?
3. What was the quantity and value from each?
4. What were the quantities and value coming in under the preferential tariff?
5. From what countries did they come in under preferential tariff?
6. What were the quantities and value from each?
7. Were all parts of said locks and fastenings coming in under the preferential tariff manufactured in the country from which they were imported?
8. If not, in what country were said parts manufactured and what was the quantity and value from each?

Hon. Mr. ROBB:

1, 2, 3, 4, 5 and 6. In the trade classification and statistics, imports of such goods are all placed under the item reading "Locks of all kinds." No quantities are specified.

[Mr. Lapointe.]

Statistics of imports for the fiscal year ended March 31, 1925, were as follows:

Countries Whence Imported	Total Imports	Imports under Preferential Tariff
United Kingdom..	$ 30,804	$30,479
Austria..	16	....
Belgium..	2	....
Czecho-Slovakia..	28	....
France..	3,085	....
Germany..	3,323	....
United States..	294,331	....
Total..	$331,589	$30,479

7 and 8. Information is not available.

BONNYVILLE, ALBERTA—POSTMASTER

Mr. BURY:

1. Has Mr. Potvin, the postmaster of Bonnyville, Alberta, been dismissed from his said postmastership?
2. If so, when was he dismissed, and for what cause or causes?
3. Was any investigation into the cause or causes held?
4. If so, when, where and by whom was such investigation held, and what findings were made upon it?
5. Was Mr. Potvin notified of the said cause or causes, and of such investigation?
6. What opportunity, if any, was given to him to meet and answer such cause or causes of complaint?

Hon. Mr. LAPOINTE:

(1) Dismissal has been authorized. It will take effect as soon as the Civil Service Commission have appointed a new postmaster.

(2) Dismissal authorized September 21st, 1925.

(a) Improperly forcing stamp sales.

(b) Paying personal accounts by postage stamps, in violation of post office regulations.

(c) Mistreatment of money due provincial authorities for automobile licenses.

(3) Usual post office inquiry was held.

(4) May 29th, 1925. Bonnyville, Alta., F. X. J. Leger, Post Office Inspector. That Mr. Potvin was not a suitable person to be retained as postmaster at Bonnyville, Alta.

(5) Office was inspected and irregularities investigated in accordance with the usual post office practice. Postmasters are not notified when their offices will be inspected.

(6) Postmaster was present when office was inspected.

BINDER TWINE IMPORTS

Mr. RYERSON:

1. What was the total quantity and value of binder twine imported into Canada during the year 1925, and from what countries were the said importations made?
2. What was the total quantity and value of binder twine imported into Canada during the year 1925 from Holland, Belgium, United States and Great Britain, respectively?

Hon. Mr. ROBB:

1 and 2.

Imports of Binder Twine into Canada for Consumption during the fiscal year ended March 31, 1925

Countries Whence Imported	Quantity Pounds	Value $
United Kingdom (Great Britain and Northern Ireland)..	1,020,000	230,166
Belgium..	120	14
Netherlands (Holland)..	820,718	95,840
United States..	24,735,749	2,901,827
Total imports..	26,576,587	3,227,847

CANADIAN GOVERNMENT MERCHANT MARINE

Mr. ARMSTRONG (Lambton):

How many vessels under control of the Canadian Government Merchant Marine, have not been operated during the year, 1925, how many of such vessels are capable of handling coal and grain?

Hon. Mr. ROBB:

(a) Twelve; (b) eleven of these vessels are capable of carrying coal or grain through the canals to head of the lakes on a limited draft of fourteen feet. Cargo carried on this draft would be fifteen hundred tons or approximately fifty per cent of their total deadweight carrying capacity. One vessel, Canadian Squatter, is of too great a length to pass through the locks of the canals.

CANADIAN NATIONAL RAILWAYS—WHOLESALE FRUIT MARKET FACILITIES

Mr. SPENCE (Parkdale):

1. Has the Canadian National Railways entered into any agreement or arrangement for the construction of (a) a wholesale fruit market, (b) a cold storage warehouse, (c) storage warehouses and office accommodation for the handling of the wholesale fruit marketing business in the city of Toronto?

2. Has the Canadian National Railways advised the government of its intention to do so?

3. If so, what is the estimated total cost of the proposed scheme?

4. Has a site been secured for the erection of the aforementioned accommodation from the Toronto Harbour Commission, or has an option been secured for a site?

5. Has the government given its approval of the said proposal?

Hon. Mr. ROBB:

1. (a) No. (b) No. (c) No.

2. No.

3. Answered by No. 2.

4. No.

5. Answered by No. 4.

PERMANENT FORCE—PROMOTION

Mr. DOUCET:

1. Is it a fact that time served by officers of Canadian Expeditionary Force on active service during the great war who were not then on the permanent force but who are now on the permanent force, was not credited to them on time necessary to serve before automatic promotion? If so, why?

2. Is it a fact that time served by permanent force officers on Canadian Expeditionary Force on active service during the great war is credited to them on time necessary to serve for automatic promotion? If so, why?

3. Is it a fact that time served from date of being gazetted to permanent force is credited to officers on time necessary to serve for automatic promotion when time served by them on Canadian Expeditionary Force on war service in France or other actual theatre of war before being so gazetted is not credited? If so, why?

4. Is it a fact that officers promoted from N.C.O. rank in permanent force receive higher pay than Canadian Expeditionary force officers now in permanent force not promoted from permanent force? If so, why?

Hon. Mr. MACDONALD:

1, 2, and 3. Under the King's Regulations and Orders for the Canadian Militia, 1917, only such time as an officer has actually served in the permanent force from the date he is commissioned may be counted for the purposes of automatic promotion. Automatic promotion, i.e. promotion governed solely by length of commissioned service, is confined to certain officers known as "classified officers" such as district officers of the Royal Canadian Artillery, ordnance executive officers of the Royal Canadian Ordnance Corps, quartermasters, etc.

4. Officers promoted from the ranks, while holding the rank of lieutenant, receive 40 cents per diem more than young officers on first appointment. The rates of pay for ranks above lieutenant are the same. Officers who are selected for promotion from the ranks to fill certain appointments for which they are specially fitted by long experience and training are usually men of middle age with family responsibilities. Other gentlemen appointed as lieutenants are young, unmarried and have yet to undergo training and experience to qualify.

PENSIONS FOR THE BLIND

Mr. KENNEDY (Winnipeg):

1. Is it the intention of the government to introduce legislation during the present session making provision for pensions for the blind?

2. Does the government recognize provision for the blind by way of pension or otherwise as a federal responsibility?

Right Hon. Mr. MACKENZIE KING:

1. No.

2. This matter is not one of the enumerated subjects committed to the Dominion by the British North America Act.

SOLDIERS' CIVIL RE-ESTABLISHMENT—MEDICAL DOCTORS

Mr. CAMPBELL:

What are the names of the medical doctors, resident in the city of Winnipeg, who are on the payroll of the Department of Soldiers' Civil Re-establishment and the amount paid each during the years 1924 and 1925?

Hon. Mr. MACDONALD (Antigonish):

Name	Calendar Year 1924 $	Calendar Year 1925 $
Adamson, Dr. J. D.. ..	2,400 00	2,400 00
Ainley, Dr. L. T..	4,000 00	4,000 00
Anderson, Dr. R. B.. ..	1,500 00	Struck off 30-6-24.
Bell, Dr. P. G..	3,600 00	3,600 00
Cameron, Dr. H. M.. .	600 00	Struck off 30-4-24.
Creighton, Dr. W.. ..	3,000 00	3,000 00
Dey, Dr. W. F..	3,600 00	3,390 00
Gardner, Dr. W. A.. ..	3 600 00	3,600 00
Groves, Dr. W. A.. ..	4,000 00	4,000 00
Gunn, Dr. J. A..	2,348 39	2,400 00
*MacDonald, Dr. D. R..	1,250 00	3,125 00
Mann, Dr. W. L.. ..	2,400 00	2,400 00
McIntyre, Dr. D. F..	2,400 00	2,400 00
McIvor, Dr. N. K.. ..	4,800 00	4,800 00
Nicholson, Dr. J. R. W.	3,600 00	3,600 00
Secord, Dr. W. H.. ..	3,600 00	3,600 00
Sterling, Dr. J. T.. ..	1,500 00	Struck off 30-6-24.
Taylor, Dr. A. R... ..	4,000 00	4,000 00
**Trudel, Dr. J. J..	87 10	99 68
Walton, Dr. F. C. A..	4,000 00	4,000 00
Wheaton, Dr. C. J.. ..	1,500 00	Struck off 30-6-24.
Williams, Dr. G. S.. ..	1,750 00	Struck off 31-7-24.
Wright, Dr. J. T.. ..	1,650 00	Struck off 30-6-24.
Young, Dr. F. A.. .. .	3,600 00	3,600 00

*Appointed August 1, 1924.
**Temporarily employed as relieving officer.

CUSTOMS SEIZURES—ROCK ISLAND

Mr. BALDWIN:

1. How many seizures for infractions of the customs laws of Canada were made at Rock Island, Quebec, during the years from 1912 to 1921, both inclusive?
2. In how many of the above cases were the guilty parties prosecuted?
3. In how many of the above cases were penalties imposed?

Hon. Mr. BOIVIN:

1. Rock Island is an outport of the port of Beebe Junction and seizures made there are reported in returns from Beebe Junction, Que.

2 and 3. Answered by No. 1.

CUSTOMS SEIZURES—BEEBE JUNCTION

Mr. BALDWIN:

1. How many seizures for infraction of the customs laws of Canada, were made at Beebe Junction, Quebec, during the years from 1912 to 1921, both inclusive?
2. In how many of the above cases were guilty parties prosecuted?
3. In how many of the above cases were penalties imposed?

Hon. Mr. BOIVIN:

1. 173.
2. None.
3. 145.

PRINCE RUPERT SHIPBUILDING CONTRACT

Mr. COOTE:

1. With regard to the bond for $321,000 given by the contractors for completion of two ships at Prince Rupert, referred to on page 3514 revised Hansard, 1922, what was the name of the bonding company?
2. Has the bonding company paid this amount or any part thereof to the government?

[Mr. Campbell.]

3. If so, what amount has been paid and on what date was payment made?
4. If no payment has been made, what action, if any, has been taken by the government to secure payment of this bond?

Hon. Mr. CARDIN:

1. London Guarantee and Accident Company, Limited.

2. Yes.

3. The amount recovered in settlement of a suit brought against the bonding company at a net cash value to the government is $121,264.25. January 26, 1925.

4. Answered by 2 and 3.

MATURING OF IMPORTED WHISKEY

Mr. MORAND:

1. What order or orders in council, if any, were passed during the year 1925 relating to further maturing of whiskey imported into Canada?
2. What were the dates of such orders in council?
3. If such order or orders in council were passed, are they now in effect, and since when?

Hon. Mr. BOIVIN:

1. P.C. 1542 and 1734.

2. 7th September, 1925, 26th September, 1925.

3. Yes. Since 1st October, 1925, except in respect of whiskey ordered before 1st October, 1925, and imported before 1st January, 1926.

CANADIAN NATIONAL RAILWAYS—SALARIES

Mr. MAYBEE:

1. How many officials of the Canadian National Railways were drawing salaries of ten thousand dollars or more before the amalgamation of said railways?
2. How many officials of the said Canadian National Railways were drawing salaries of ten thousand dollars or more during the year 1925?
3. Where and in what capacity are such officials serving?

Hon. Mr. ROBB:

The Canadian National Railway board and management urge that it is not in the public interest, and would be detrimental to the Canadian National Railways to publish the information asked for by the hon. member for Northumberland. It suggests comparisons between salaries paid certain officials prior to amalgamation of the National Railways, and those paid since consolidation. Question No. 3 is particularly objectionable from the standpoint of good management, in that the publication of such information might give rise to jealousies within the staff which would not be conducive to loyal and efficient service. Further, the information desired is such as is not required from any other railway in Canada and would place in the hands of the Canadian National Railways' chief competitor information which as regards other lines is not available to the Canadian National management.

CUSTOMS SEIZURES—SNAG PROOF LIMITED

Mr. MERCIER (St. Henri):

1. Were any customs seizures made from the Snag Proof Ltd., of Beebe, Quebec, between January 1, 1912, and December 31, 1921?

2. If so, how many?

3. Were any charges made against the same company during the same period for infraction of the customs Laws in connection with which no seizures were made?

4. If so, how many?

5. In how many of the said cases were actions taken?

6. In how many of the said cases were penalties imposed?

Hon. Mr. BOIVIN:

1. Yes.
2. Three.
3. Yes.
4. Four.
5. None.
6. Three.

INCOME TAX ACT ADMINISTRATION

Mr. GARLAND (Bow River):

As to Vote No. 349, Main Estimates 1925-26, being $2,000,000 for administration of the Income Tax Act:

1. Are appointments under this vote made by a system of competitive examination or are they made by political patronage?

2. What features are considered in connection with (a) promotions, (b) remuneration, (c) annual increases?

3. What is the total number of employees under this vote?

4. What have been (a) the total revenue, (b) the total expenditure of the Income Tax and Business Profits branch each year since its inception?

5. What is the average salary of the staff exclusive of the commissioner?

6. Has the result of this service been wholly satisfactory?

7. Is the government satisfied that this service should be exempt from the Civil Service Act?

Hon. Mr. BOIVIN:

1. Appointments are made by the Minister of Customs and Excise.

2. Merit and ability.

3. 1,057.

4.

Fiscal Years	Income Tax	Business Profits	Total Revenue	Total Expenditure
1916-17	.....	12,506,516 72	12,506,516 72	58,174 81
1917-18	.....	21,271,083 57	21,271,083 57	108,196 88
1918-19	9,349,719 80	32,970,061 81	42,319,781 61	495,797 38
1919-20	20,263,739 91	44,145,184 48	64,408,924 39	1,145,538 50
1920-21	46,381,824 31	40,841,401 25	87,223,225 56	1,953,988 54
1921-22	78,684,354 80	22,815,666 58	101,500,021 38	2,214,638 28
1922-23	59,711,538 37	13,031,461 80	72,743,000 17	2,040,461 08
1923-24	54,204,027 99	4,752,680 89	58,956,708 88	1,935,274 96
1924-25	56,248,042 82	2,704,427 37	58,952,470 19	1,693,025 23
Total	324,843,248 00	195,038,484 47	519,881,732 47	11,645,095 66

5. $1,396.54.
6. Yes.
7. Yes.

WAR TAXES—REVENUE

Mr. CLARK:

1. What amount of revenue has been collected by the government of Canada from taxes made necessary by the war for each year since 1921, giving details of such taxes?

2. What portion of said revenue has been required and expended for causes resulting from the war in each of the said years with details of such expenditures?

Hon. Mr. ROBB:

1 Revenue Derived from Special War Taxes 1921 to 1925

——	1921–22	1922–23	1923–24	1924–25
	$ cts.	$ cts.	$ cts.	$ cts.
Excise Taxes—				
Licenses	119,118 00	68,420 00	58,020 50	36,211 00
Stamps	2,143,105 25	5,018,448 84	8,175,300 66	8,691,332 37
Embossed cheques	840,279 25	516,742 09	657,564 97	634,555 58
Jewellery	108,147 20	.....	.....	.....
Matches	2,694,113 86	2,676,846 32	2,602,109 11	2,403,923 61
Automobiles	59,963 74	1,362,597 36	2,689,399 55	2,410,878 60
Playing Cards	231,070 55	206,626 52	176,760 20	203,282 25
Confectionery	350,524 33	442,270 86	176,564 15	.....
Phonographs, etc	12,974 62	.....	.....	.....
Wines	122,973 80	159,370 05	151,580 05	66,839 54
Ales, beer	1,246,522 52	2,612,463 33	4,234,539 41	4,669,337 03
Whiskey	708,543 90	.....	.....	.....
Sales (domestic)	44,820,161 72	62,685,519 70	71,834,936 60	51,253,498 28
Transportation	2,534,170 27	2,234,090 55	2,400,430 71	2,420,930 07
Importations:—Sales	16,698,589 41	28,576,734 43	29,155,140 20	15,453,871 68
Importations:—Excise	1,212,355 43	768,002 16	836,723 38	723,684 91
Cigars	.....	289,523 74	357,495 14	323,556 76
Beverages	.....	372,235 66	142,974 70	10,200 71
Carbonic Acid Gas	.....	.....	19,307 26	28,735 48
Total Excise Taxes	73,902,613 85	107,989,892 61	123,668,846 59	89,330,837 87
Less Refunds	246,125 02	1,507,174 53	2,992,470 70	3,520,120 45
Net Revenue Excise Taxes	73,656,488 83	106,482,718 08	120,676,375 89	85,810,717 42
Income Tax	78,684,354 80	59,711,538 37	54,204,027 99	56,248,042 82
Business Profits Tax	22,815,666 58	13,031,461 80	4,752,680 89	2,704,427 37
Trust and Loan Companies	283,994 36	312,391 39	308,632 10	315,314 88
Insurance Companies	749,958 75	852,328 12	857,586 98	867,901 96
Chartered Banks	1,293,697 43	1,244,437 14	1,236,957 57	1,217,753 85
	177,484,160 74	181,634,874 90	182,036,261 42	147,164,158 30

NOTE.—Apart from these special war taxes, there were increases in customs and excise duties and in postage rates. No separate record has been kept of the revenue resulting from such changes.

2.

Principal Expenditures due to the War

——	1921–22	1922–23	1923–24	1924–25
	$ cts.	$ cts.	$ cts.	$ cts.
Interest on Public Debt (increase over 1914)	122,354,344 38	124,999,230 24	123,344,366 74	121,896,099 27
Pensions	35,414,742 67	32,118,374 33	32,443,502 21	33,842,248 03
Soldiers' Civil Re-Establishment	17,781,303 48	13,365,134 89	10,312,947 42	8,981,199 57
Soldier Land Settlement (Administration)	2,282,713 36	1,819,825 56	1,615,005 72	1,412,900 59
Imperial War Graves Commission	522,115 19	378,441 65	371,784 78	446,895 77
Battlefields Memorials	137,420 53	180,736 39	108,773 18	195,312 59
Adjustment of War Claims	1,544,249 66	4,284,023 37	446,082 79	506,931 27
	180,036,889 27	177,145,766 43	168,642,462 84	167,281,587 09

ALIEN ENEMY PROPERTIES

Mr. NICHOLSON:

1. Who is the Custodian of Alien Enemy Property in Canada?

2. When was the present incumbent of the position appointed?

3. What remuneration does he receive for his services exclusive of allowances for personal expenses?

4. What have been the total amounts received in cash by the Custodian of Alien Enemy Properties on account of properties disposed of or partially disposed of since such custodian was first appointed?

5. What has been the cost of administering such properties as have come within his jurisdiction?

6. Are there any properties yet undisposed of? If so, has any valuation been made of the properties and what are the estimated sums to be received for same?

7. What claims have been received by the Custodian of Alien Enemy Property for compensation for losses incurred during the Great War and properly coming within the provisions of the regulations governing such compensation?

8. What has been the total in cash of such claims?

9. Have any of the claims been settled? If so, give a list of the claims with the firms or individuals filing same?

10. What basis has been taken upon which to settle such claims as have been disposed of?

11. Have any claims been refused? If so, what are the reasons on which refusal was based?

Hon. Mr. LAPOINTE:

1. The Treaty of Peace orders in council declare "the Custodian" to mean, in respect of the time prior to the date of the orders, the Minister of Finance and Receiver-General, and from the date of the orders the Secretary of State of Canada. "The Custodian" is charged with the administration of enemy property in Canada.

2. The Honourable Charles Murphy, Acting Secretary of State, was appointed on the 13th of November, 1925.

3. Nothing.

4. Total amount received on account Real Estate from 1-4-20 to 31-1-26, $362,103.60.; total amount received on account Securities Capital and Income from 1-4-20 to 31-1-26, $12,826,511.48.

5. It is impossible to state accurately the cost of administration. The staff engaged in the custodian's office deals with not only the administration of enemy property but also with the clearing office and with internment operations. Down to the 1st of April, 1923, it is impossible to apportion the expenses of the office between these duties. Since the 1st of April, 1923, the administration of enemy property has been charged against commissions received, interest upon interest which is not credited to the enemy property, and other profits of the office, and amounts to $118,-687.08. Other items of expenditure which are chargeable against enemy property are taxes, insurance, legal expenses and travelling expenses. The following amount shows the total of these expenses since the establishment of the office $264,573.57.

6. There are properties still undisposed of, consisting of real estate and securities. The undisposed of real estate has been valued, and amounts to $78,856.17. The undisposed of securities have not been valued; in fact it is not possible to value them. Many of them are worthless. The bulk of them are not quoted on the stock exchange, and it is impossible to place any value upon them.

7. Claims have been received by the custodian for compensation under the provisions of Article 297 of the Treaty of Versailles and the corresponding sections of the other Treaties. The claims are as follows:

GERMANY

Name of Claimant	Amount claimed (exclusive of compensation)	Amount paid for claim	Amount paid for compensation	Dates claims and compensation paid
	$	$	$	
Alain	2,134 26	Rejected by Germany.		
Brandeis (3 claims)	60,537 90	2,684 95	.....	1922, Mar. 14
	.....	670 17	.....	April 26
	.....	33 51	.....	1923, July 9
	.....	980 92	.....	Aug. 30
Devlin	24,723 70	5,842 11	2,000 00	1921, Nov. 2
				1923, Mar. 26
Leach	500 00	610 15	.....	1921, Dec. 31
Rolff	7,186 24	Rejected by Germany.		
Massey-Harris	1,500,000 00	1,200,000 00	300,000 00	1921, July 4
				" 5
				Aug. 26
Muller	4,053 00	292 40	4 00	1923, Feb. 27
				1925, Jan. 22
Agnew	8,905 10	1,849 86	250 00	1922, Mar. 4
				1923, July 30
Eaton Co	104 28	37 67	13 00	1922, Nov. 24
				1923, Aug. 1
"	332 78	88 52	39 65	1923, Oct. 12
				1925, Feb. 3

GERMANY

Name of Claimant	Amount claimed (exclusive of compensation)	Amount paid for claim	Amount paid for compensation	Dates claims and compensation paid
	$	$	$	
Eaton Co.	64 44	53 87	15 00	1923, Oct. 23 1924, June 23
"	1,689 75	Withdrawn in Mixed Arbitral Tribunal proceedings		
Noyes	1,187 22	Rejected by Germany.		
MacIntyre	1,109 24	860 70	.....	1923, Feb. 17
May	4,050 28	1,055 28	.....	1922, June 6
Burt	200 00	.....	150 00	1923, Mar. 17
Karn-Morris	886 18	234 25	.....	1923, Feb. 5
Beardmore	493 15	.....	457 12	1925, April 18
"	6,866 54	836 53	.....	1922, Feb. 22
Thompson & Co.	3,434,678 00	.....	1,334,888 36	1925, July 18 Sept. 26
Gray	4,200 39	4,436 26	320 00	1922, Sept. 9 1923, Aug. 1
Welsford	1,410 01	1,208 58	.....	1923, April 9
Sims	1,296 00	Rejected by Germany.		
Badham	881 71	881 72	30 00	1923, Mar. 17 Aug. 1
Magee	14,397 14	10,620 50	3,300 00	1922, Nov. 15 1923, Aug. 1
"	2,794 32	2,794 31	750 00	1922, Nov. 15 Aug. 1
"	9,177 76	10,217 85	.....	1926, Feb. 6
Hankey	1,418 35	288 66	70 00	1922, Dec. 16 1923, Aug. 1
Nerlich	224 22	224 22	55 00	1923, Aug. 4
"	346 56	346 57	100 00	1923, Aug. 4
Union Bank	41 16	41 13	.....	1923, Aug. 2
"	9,958 97	9,958 97	.....	1924, Mar. 18
Martin	700 54	65 95	.....	1923, April 4
Paterson	181 72	191 21	45 00	1922, Nov. 23 1923, Aug. 1
Standard Chemical	9,189 68	9,138 15	1,000 00	1923, May 19 Nov. 24
Daley	1,527 40	547 28	100 00	1923, Nov. 24 1924, Feb. 9
Spinney	5,529 17	5,442 02	2,909 62	1925, July 17
De Jong	719 17	512 85	11 24	1923, Mar. 9 1925, Feb. 17
Consolidated Asbestos	4,839 27	5,049 01	1,200 00	1922, Nov. 23 1923, Aug. 1
Munderloh	36 63	36 63	.....	1923, Mar. 2
Freyseng Cork	713 65	752 61	180 00	1923, Jan. 20 Aug. 2
Berlon	241 90	241 90	4 00	1923, Mar. 17 Nov. 24
Derrick	94,630 08	Rejected by Germany.		
Harris Abattoir	22 68	22 68	6 00	1923, Nov. 24 1924, May 15
Walter	223 52	223 52	30 00	1923, May 19 1924, Jan. 11
C.P.R.	57 90	Rejected by Germany.		
"	163 41	Rejected by Germany.		
Dominion Bank	290 56	290 56	.....	1923, Aug. 30
Black Lake Asbestos	46 45	46 45	.....	1923, Nov. 24
Columbia Leather	25,338 32	Rejected by Germany.		
Basilici	38,185 28	15,487 32	.....	1922, Dec. 7
Coleman	1,020 00	.....	250 00	1925, Jan. 21
Royal Bank	28 51	15 91	.....	1924, June 23

GERMANY

Name of Claimant	Amount claimed (exclusive of compensation)	Amount paid for claim	Amount paid for compensation	Dates claims and compensation paid
	$	$	$	
Schmarje	9,546 32	Rejected by Germany.		
Newbery	329 66	329 66	118 31	1924, Aug. 25 1925, Mar. 9
"	45 95	45 95	19 69	1924, Aug. 25 1925, Mar. 16
Bank of Toronto	91 62	41 66	.....	1926, Jan. 22
Patterson	12,402 50	These claims have only recently been put in, and have not yet been reported upon by Germany.		
Purdy	13,004 50			
Hammond	10,538 50			
Roop	22,280 00			
Janssens	5,372 18			

In addition to the above claims, Germany has in certain cases admitted under Article 297 moneys which have not been made the subject of claims by this office under Article 297. They are as follows:—

J. Lewis & Sons	.....	2,381 66	.....	.....
Matthews-Blackwell (Canadian Packing Co.)	.....	9 78	.....	.....
C.P.R.	.....	169,136 84	.....	.....
Canada Glue Co	.....	14 31	.....	.....
Asbestos Corporation of Canada	.....	759 23	.....	.....
	5,363,145 72	1,467,932 80	1,648,315 99	.....

HUNGARY

Massey-Harris	537,964 98	.....	693,465 27	1925, Mar. 30 31

AUSTRIA

Perkins	779,888 56	.....	29,742 40	(Not yet paid out and therefore not added in.)
	6,680,999 26	1,467,932 80	2,341,781 26	.....

8. Answered by 7.

9. Answered by 7.

10. The claims upon receipt are forwarded through the Central Clearing Office at London for submission to the German Treuhander, and in other countries the corresponding official. In many cases the claim has been admitted. In others they have been compromised by agreement between the claimant and the former enemy authorities. Other cases have been disposed of by the Mixed Arbitral Tribunal set up for the purpose under Section 304 of the Treaty of Versailles and the corresponding sections of the other Treaties.

11. Consideration has not been refused to any claim. Every claim has been put forward and supported by the Canadian Custodian to the greatest extent possible. In some cases the claims have been withdrawn by the claimants without being put forward before the Mixed Arbitral Tribunal above referred to.

SALES TAX

Mr. FRASER:

1. What is the amount of the sales tax collected for the year ended March 31, 1925?

2. What is the amount of sales tax collected for the current fiscal year to December 31st last?

3. What is the amount of the income tax collected for the year ended March 31, 1925?

4. What is the amount of the income tax collected for the current fiscal year to December 31st last?

Hon. Mr. BOIVIN:

1. $66,707,369.96.
2. $51,757,283.86.
3. $56,248,042.82.
4. $53,242,920.61.

WAR TAXES—COST OF COLLECTION

Mr. FRASER:

1. What is the total cost of imposition, operation, supervision and collection of war tax revenue for each of the years from 1917 to 1925?

2. What percentage of the total amount is represented by the imposition, operation, supervision and collection of the income tax?

Hon. Mr. BOIVIN:

1. It is not possible to separate cost of collecting all war tax revenue from total cost, as collections of ordinary and war revenue are in many cases made in the same offices by the same staff.

2. The total cost of imposition, operation, supervision and collection of Business Profits Tax and Income Tax was as follows: 1916-1917, $58,174.81; 1917-1918, $108,196.88; 1918-1919, $495,797.38; 1919-1920, $1,145,538 50; 1920-1921, $1,953,988.54; 1921-1922, $2,214,638.-28; 1922-1923, $2,040,461.08; 1923-1924, $1,-935,274.96; 1924-1925, $1,693,025.23.

CUSTOMS SEIZURES—AUTOMOBILES AND MOTOR TRUCKS

Mr. WILSON (Wentworth):

1. How many automobiles and trucks have been seized by the Department of Customs and Excise in the County of Wentworth and in the City of Hamilton during 1921, 1922, 1923, 1924, 1925?

2. What is done with these seized cars and trucks?

3. Is storage paid on same? If so, what amount has been paid?

4. How and when are these cars disposed of and what prices are received by the department for them?

Hon. Mr. BOIVIN:

1. Seven.

2. Released for export on payment of penalty, released for use in Canada upon payment of duty and penalty or forfeited and sold.

3. Yes, when stored. $252.50.

4. Two were forfeited. One was sold by tender to highest bidder for $160 and the other is still on hand. One seizure made November 18th, 1925 has not yet been decided.

SHIPMENTS OF GRAIN THROUGH CANADIAN PORTS

Hon. Mr. MANION:

1. How many bushels of grain were shipped through the port of Vancouver in 1925?

2. How many bushels of grain were shipped through the port of Montreal in 1925?

3. How many bushels of grain were shipped through the head of the lakes (Fort William-Port Arthur) in 1925?

Hon. Mr. ROBB:

1.

	Bushels
Rail shipments...	2,680,178
Water shipments...	32,093,116
Total...	34,773,294

2.

Canadian Grain—	
Domestic shipments...	13,775,144
Export shipments...	105,181,320
Total...	118,956,464
United States Grain—	
Domestic shipments...	959,835
Export shipments...	51,627,027
Total...	52,586,862
Total Canadian and United States grain	171,543,326

3.

Water shipments...	305,422,574
Rail shipments...	11,422,506
Total...	316,845,080

PRINCE RUPERT ELEVATOR

Hon. Mr. MANION:

1. Is the grain elevator which was to be built at Prince Rupert completed, and if so, when was it completed?

2. What was the total cost of this elevator?

3. How many bushels of grain have gone through this elevator since it was completed?

Hon. Mr. ROBB:

1. Yes. January 29, 1926.
2. $1,028,242.54 to January 31, 1926.
3. None.

LONG POINT, ONTARIO—LIFE SAVING CREW

Mr. STANSELL:

1. How many men are employed as life saving crew at Long Point, Norfolk County, Ontario?

2. What remuneration do they receive?

3. Was an order in council passed under date of May 6, 1925, authorizing salaries to be: first, single men $60 per month plus $25 board allowance; second, for married men $70 per month plus $25 board allowance?

4. Was there also to be a raise of $5 per month each year for three years?

5. Are the men in receipt of that scale of remuneration at the present time?

6. If not, why?

Hon. Mr. CARDIN:

1. Eleven.

2. Coxswain, $100 per month; boatmen, $50 per month. During season of navigation with subsistence allowance of $25 per month. The coxswain receives an additional $75 per annum for looking after the station in the winter.

3. Order in Council 6th May, 1925, P.C. 8/712 provides for the following compensation on recommendation of the Civil Service Commission:

Coxswain: Monthly (during season of navigation). On power life boats: $100, $105, $110, $115, $120. On oar propelled life boats: $90, $95, $100, $105, $110. Allowance: $25 per month for subsistence.

Boatmen: Monthly, $60, $65, $70, $75 (during season of navigation). Allowance, $25 per month for subsistence.

4. Yes, for four years.

5. No.

6. Crews of life boats do not come under the Civil Service Act; they receive remuneration comparable to that received by the men engaged in the steamship service of the department.

HEROISM OF CAPTAIN FRIED

Mr. CHURCH:

1. Has the attention of the government been called to the following, namely: "the heroic conduct of Captain George Fried of the U.S. Atlantic liner President Roosevelt in going to the help and rescue of the disabled British freighter SS. Antione, and against great adverse odds for over 100 hours given a brave endurance of cruel hardship to effect a rescue worthy of the best traditions of the sea, and which two of the crew of the President Roosevelt lost their lives?"

2. In view of the fact that there were many Canadians on the President Roosevelt is it the intention of the government to tender some suitable form of recognition of such an outstanding act of heroism on behalf of the people of Canada as a token of appreciation of so valiant an act and one worthy of the best traditions of the sea and good sportsmanship?

Hon. Mr. CARDIN:

1. No,—except what has appeared in the public press.

2. No. The Antione was owned and registered in England and according to press reports, the British government, which is the proper authority in this case, is recognizing the action of the master and crew of the President Roosevelt.

FRASER RIVER CHANNEL

Mr. BARBER:

What amount has been expended on the improvement of the channel of Fraser river between Mission and Hope during the years 1922, 1923, 1924, 1925, respectively?

Hon. Mr. LAPOINTE:

Department of Marine and Fisheries—

For construction and maintenance lights, buoys and beacons.

1922-23..	$ 4,786 83
1923-24..	3,423 98
1924-25..	2,181 31
1925-26 (to Jan. 30).. ..	6,474 69
	$16,866 81

Department of Public Works—

1922-23..	$2,275 51
1923-24..	1,604 45
1924-25..	2,351 20
1925-26 (to Dec. 31/25)..	2,532 32
	$8,763 48

CALGARY POST OFFICE BUILDING

Mr. GARDINER:

1. What is the annual rental paid for the building used as a post office in the city of Calgary, Alberta?

2. What other buildings are rented in Calgary for Dominion Government purposes and what is the rental of each?

Hon. Mr. LAPOINTE:

1. $70,000 annual rental paid for the Southam building which is partly used as a post office and in which are also located the Dominion Lands Branch, Topographic Survey, Water Power Branch of the Interior Department, National Defence—Headquarters M.D. No. 13, Soldier Settlement Board and Railway Commission.

2.

	Annual Rent
Space in Canadian Pacific Railway station for mail accommodation.	$ 112 50
Six rooms Lancaster building, for Grain Inspection Branch, Department of Trade and Commerce.	1,901 62
Room 712, Lancaster building, is rented for the use of the Board of Grain Appeals, at the rate of (a month)..	26 55
Basement of Hickman Block for Interior Department, storage ..	480 00
Portion of ground floor of Blow building, for O. & S.A. Branch, D.S.C.R...	1,845 00
Building, 807-10th Ave., W., and building, 801-10th Ave., W., for ordnance accommodation Department of National Defence.. ..	8,400 00
9th Ave., W., stables for National Defence..	480 00
10th Ave., W., stables for National Defence..	200 00

No. 2 Police Station—2nd St. E., for R.C.N.V.R. Department of National Defence..	900 00
Space in Chapin garage—324 Fifth Ave., W., for National Defence garage..	600 00
Building, 1115-8th Ave., W., for "B" Sqd. Lord Strathcona Horse, Department of National Defence..	900 00
Colonel Belcher Hospital—523-8th Ave., W., for S.C.R. Hospital..	10,800 00
R.C.M.P officers' quarters, 109-4th Ave., W. (a month)... ...	75 00
R.C.M.P. men's quarters, 104-5th Ave., W. (a month)..	80 00
Two rooms in the Live Stock Exchange building..	681 00
Office from the Alberta Stock Yards Company Ltd..	561 00

INVERNESS RAILWAY

Sir HENRY DRAYTON:

1. What were the operating revenues and expenses of the Inverness Railway in each of the years 1922, 1923, 1924 and 1925?

2. When did the Canadian National Railways take over the operation of the said railway?

3. What amount has been invested by the Canadian National Railways in the said railway?

4. What is the value of the rolling stock of the Canadian National Railways used in the operation of the said railway?

5. What contributions, if any, are made by those interested in the operations of the said railways towards the losses of operation borne by the Canadian National Railways?

6. What amount of money if any is paid by way of rent or otherwise by the Canadian National Railways to the owners of the said railway?

7. Who are now the owners of the said railway?

8. What, if any, representations looking to the sale of said railway have been made by the present or prospective owners of the said railway to the Canadian National Railways or to the government?

Hon. Mr. ROBB:

			Year 1922
1. Revenues..			$210,908 14
Expenses..			224,064 72
Deficit..			$ 13,156 58
Year 1923	11 mos. 1924		Year 1925
$201,796 10	$108,849 70		$148,322 41
262,290 42	191,466 94		213,861 03
60,494 32	$ 82,617 24		$ 65,538 62

We have no information as to revenues or expenses for the month of January, 1924.

2. 1st February, 1924.

3. Nothing.

4. Any Canadian National or foreign equipment used from time to time is charged on the usual per diem or rental basis. No equipment is assigned to that line.

5. None.

6. $25,000 per year.

7. Eastern Trust Company.

8. Order in Council of March 8, 1924, authorized the Canadian National Railway Company to lease the Inverness railway, with option of purchase, which option has not been exercised. Under date of October 28, 1925, an order in council authorized the Minister of Railways to lease the road from the Inverness Railway Company with option of purchase. The road having, meanwhile, changed hands that order in council became non-effective.

MR. PRESTON ELLIOTT

Mr. HUBBS:

1. Is Mr. Preston Elliott, former member of the House of Commons, in the employ of the Dominion Government?

2. If so, in what capacity, at what salary, and when was he appointed?

Hon. Mr. LAPOINTE:

1. No.

2. Answered by No. 1.

CANADIAN BRIGADIER-GENERALS

Mr. EVANS:

1. How many brigadier-generals have we in Canada?

2. How many of them are drawing pay—and how much?

3. How many brigadier-generals were there in 1913?

Hon. Mr. MACDONALD:

1. None. There was never a substantive rank of brigadier-general in the Canadian militia, but a temporary rank of brigadier-general only which was abolished by General Order No. 151 of 1921 (Order in Council P.C. 1758 dated 30th May 1921). There are, however, 60 colonels in Canada (13 on the active list, 35 on the reserve of officers and other reserve formations and 12 on the retired list), who now hold the honorary rank of brigadier-general, which, with few exceptions, was granted them in lieu of the temporary rank of brigadier-general held by them during the war, authority for which is also contained in General Order No. 151 of 1921, above quoted.

2. There are 8 officers with the rank of colonel who held the temporary rank of brigadier-general in the field during the war and now hold the honorary rank of brigadier-general, drawing pay of their respective appointments as follows: 6 District Officers Commanding who hold the temporary rank of

Colonel Commandant whilst so employed and are paid $6,570 per annum. 1 Deputy Chief of the General Staff who holds the temporary rank of colonel on the staff whilst so employed and is paid $5,840 per annum. 1 Assistant Adjutant and Quartermaster-General of a Military District who is paid $5,200 per annum.

3. None.

PROVISIONS FOR EX-SERVICE MEN

Mr. LADNER:

1. Has the government received a complaint from the Great War Veterans' Association of British Columbia or any other province to the effect that strict adherence to the letter of the regulations and a mass of red tape are robbing ex-service men of their rights and breaking the promise Canada made to her soldiers?

2. Has any complaint been made by the said Great War Veterans' Association with respect to, (a) the development of physical troubles which the men attribute directly to the war but which they are unable to prove to the satisfaction of the authorities, (b) veterans broken in health and pocket without money to pay for medical attention and unable to take care of their families?

3. Is it the intention of the government to introduce legislation by way of amendment to the Pension Act or otherwise, (a) to provide greater latitude on the part of departmental officials to deal with needy sick and meritorious cases, (b) to broaden generally the provisions of the law so as to enable our military hospitals or like institutions to receive and treat our ex-service man or woman applying for treatment, who, having been honorably discharged from the army, navy or air force, is suffering from an illness which may possibly be attributed to war service and to allow such ex-service man or woman to remain in such institution until fit to be discharged or until the departmental officials are able to prove that the illness of such man or woman is not attributable to war service?

4. Is it the intention of the government to make any amendments to the Pension Act during the present session?

Hon. Mr. LAPOINTE:

1. No.

2. Witnesses who have appeared before the several committees of parliament appointed to deal with questions relating to pensions and re-establishment, and certain of those who were heard by the royal commission which made inquiry into these matters, have suggested that medical treatment should be given to ex-service men for every disabling condition irrespective of war service relationship. The records show that parliament has always deemed it wise to impose as a condition of eligibility for treatment that there be a relationship between the disabling condition and the war service of the applicant.

3. The regulations presently in effect extend to ex-service men all the benefits for which, in the considered judgment of previous parliaments, provision could be made. They compare most favourably with those available in other countries. The regulations of the department provide that treatment without pay and allowances may be given when, in the opinion of the physicians of the department, there is a possibility that the disability may be connected with service, although definite relationship cannot be shown. As a safeguard of the rights of individual applicants provision has been made in the Pension Act for appeals from decisions concerning eligibility for pension or treatment, and for meritorious cases outside the act.

4. The pension law has been reviewed and amended by parliament during every session since 1919. The governing principles are now definitely established, and it is not intended to introduce further amendments except to effect minor changes which experience may show to be necessary.

PREVENTIVE OFFICER AT BRANTFORD

Hon. Mr. STEVENS:

1. Did the Department of Customs appoint one Cumeford as preventive officer at Brantford?

2. If so, what was the date of the said appointment?

3. Did the said Cumeford commence his duties on Monday, October 26, 1925?

4. If so, what duties have been assigned to the said Cumeford?

5. Was the collector of customs of the city of Brantford consulted in regard to this appointment?

6. Why was a new position of "preventive officer" created in the city of Brantford at the end of October, 1925?

7. Did the said Cumeford pass the necessary civil service examinations?

8. If so, on what date and at what place were the examinations held, and who was the examining officer?

9. What is the salary attached to the said position, and what are the duties of this office?

10. What was the amount of customs revenue at the port of entry of Brantford during each of the years 1923, 1924 and 1925?

Hon. Mr. BOIVIN:

1. Yes.

2. October 9th, 1925.

3. Yes.

4. Duties of a customs excise enforcement officer.

5. No.

6. No new position was created.

7. No examination was required.

8. Answered by No. 7.

9 $100 per month.

10. 1923-24, $536,133.80; 1924-25, $328,762.32.

IMMIGRATION ADVERTISEMENTS

Mr. CAMPBELL:

1. What is the total amount paid by the Immigration department or any department of the government for immigration advertisements to the following newspapers since January 1, 1923: Norrona, Swedish News, Winnipeg?

2. Has the government any contract with these newspapers for future advertising?

Hon. Mr. LAPOINTE:

Department of Immigration and Colonization.

1. Norona, $17,751.44; Swedish News, $17,283.46.

2. No.

Department of Railways and Canals.

Since January 1st, 1923, Norrona and Swedish News, Winnipeg, have each received $14.00 for the publication in those papers of notice of tenders for Section 7, Welland Ship Canal.

CANADIAN NATIONAL RAILWAYS—SUPPLIES

Mr. MACDONALD (Richmond):

1. What quantities and descriptions of material were bought for the use of the Canadian National Railways during the year 1925?

2. What portion of said goods were iron, steel or metal products and what textiles?

3. From whom were said goods purchased and at what prices?

4. What quantities of fuel and lubricating oils were purchased by the Canadian National Railways, where these purchased; what prices were paid, where was delivery made to the railways?

Hon. Mr. ROBB: The Canadian National Railway board and management hold strongly that it is not in the public interest, and would be injurious to Canadian National Railways, to bring down information such as that sought by Mr. Macdonald and having to do with the purchase of materials and supplies. Even were it a proper principle to adopt, it would be a matter of great difficulty and expense to compile such a statement. In addition it is information which conceivably, might result in increased prices of material and supplies, and consequent increased operating cost of the railway. It has been found that commercial houses and industrial organizations tendering on railway requirements hesitate to submit their best prices when there is likelihood of the same being divulged.

CANADIAN NATIONAL RAILWAYS—COAL

Mr. JOHNSTONE:

1. From what companies in the Maritime provinces did the Canadian National Railways purchase coal in each of the calendar years 1921, 1922, 1923, 1924, 1925?

2. What was the amount contracted for with each company?

3. What was the price agreed upon in each contract?

4. How many tons were obtained from each of the companies with whom contracts were made?

Hon. Mr. ROBB:

1. 1921—Bras d'Or Coal Company, British Empire Steel Corporation, Emmerson Coal Company, Greenwood Coal Company, Harvey Welton, Indian Cove Coal Company, Intercolonial Coal Mining Company, Inverness Coal Company, Minudie Coal Company, Maritime Coal Railway & Power Company, Minto Coal Company, Miramichi Lumber Company, Port Hood Collieries, Rothwell Coal Company and Welton & Henderson.

1922—Anglo Coal Company, Bras d'Or Coal Company, British Empire Steel Corporation, Chimney Corner Coal Company, Carter Coal Company, Emmerson Coal Company, Greenwood Coal Company, Harvey Welton, Indian Cove Coal Company, Intercolonial Coal Mining Company, Inverness Coal Company, Lawson Coal Company, Minudie Coal Company, Maritime Coal Railway & Power Company, Minto Coal Company, Miramichi Lumber Company, National Coal Company, River Hebert Coal Company, Rothwell Coal Company and Welton & Henderson.

1923—Bras d'Or Coal Company, British Empire Steel Corporation, Beaver Coal Company, Carter Coal Company, Emmerson Coal Company, Funday Coal Company, Greenwood Coal Company, Harvey Welton, Indian Cove Coal Company, Intercolonial Coal Company, Inverness Coal Company, Lawson Coal Company, Minudie Coal Company, Maritime Coal Railway & Power Company, Minto Coal Company, Miramichi Lumber Company, National Coal Company, River Hebert Coal Company, Rothwell Coal Company and Welton & Henderson.

1924—Avon Coal Company, Bras d'Or Coal Company, British Empire Steel Corporation, Carter Coal Company, Emmerson Coal Company, Funday Coal Company, Greenwood Coal Company, Harvey Welton, Indian Cove Coal Company, Intercolonial Coal Mining Company, Inverness Coal Company, Lawson Coal Company, Maritime Coal Railway & Power Company, Minto Coal Company, Miramichi Lumber Company, National Coal Company, River Hebert Coal Company, Rothwell Coal Company, Welton & Henderson and Beaver Coal Company.

1925—Bras d'Or Coal Company, Boston Coal Company, British Empire Steel Corporation, Carter Coal Company, Emmerson Coal Company, Funday Coal Company, Greenwood Coal Company, Indian Cove Coal Company, Intercolonial Coal Mining Company, Inverness Coal Company, Maritime Coal Railway & Power Company, Minto Coal Company, Miramichi Lumber Company, River Hebert Coal Company, Rothwell Coal Company, Victoria Coal Company and Welton & Henderson.

2, 3 and 4. The management consider that it would not be in the public interest, would be injurious to National Railways, and an embarrassment in future negotiations to publish contracts, prices and deliveries, as called for by these questions.

CANADIAN NATIONAL RAILWAYS—PASSENGER CARS

Mr. CANTLEY:

1. What number of passenger railway cars not the property of the Canadian National Railways were employed in conveyance of passengers on the Canadian National Railways during the year 1925?
2. Where were such cars built, where owned and by what company or corporation?
3. On what terms and at what cost were such cars secured for operation in the train service of the said railway?
4. What duty, if any, was paid on said railway cars?

Hon. Mr. ROBB:

1. Seventy.
2. Pullman Company, Chicago, Ill.
3. Temporary for summer months. Coaches $14. Parlor cars $30 and sleeping cars $35 per car per day.
4. No duty. Equalizing mileage made on United States lines.

REVISION OF STATUTES

Mr. McQUARRIE:

1. What are the names, addresses and occupations of the committee engaged on the revision of the statutes of Canada?
2. When were the members of the said committee respectively appointed including any substitutions which have been made?
3. What sums have been paid to members of the said committee respectively: (a) as remunerations; (b) for expenses?
4. What sums are still due to members of said committee respectively?
5. Is the said committee still at work?
6. Has any time limit been fixed for completion of said revision?
7. What is the total estimated cost of the said revision?

Hon. Mr. LAPOINTE:

1.

The Honourable the Minister of Justice, member ex officio; The Honourable the Solicitor General, member ex officio; Right Honourable Sir Charles Fitzpatrick, G.C.M.G., K.C., President, Quebec City, Quebec, Gentleman and Retired Chief Justice; E. R. Cameron, Esq., K.C., Vice president, Ottawa. Registrar of the Supreme Court of Canada; E. J. Daly, Esq., Commissioner, Ottawa, Barrister, etc.; F. R. McD. Russell, Esq., K.C., Commissioner, Vancouver, B.C. Barrister, etc.; L. A. Rivet, Esq., K.C., Commissioner, Montreal, Quebec, Barrister, etc.; Secretary, Napoleon Laliberte, Esq., Victoriaville, Quebec, Advocate.

2.

The original members of the Commission were appointed by order in council of December 28, 1923. These were: The Honourable the Minister of Justice, ex officio; The Honourable the Solicitor General, ex officio; The Right Honourable Sir Charles Fitzpatrick, G. C.M.G., K.C., President; E. L. Newcombe, C.M.G., K.C., Vice President, resigned September 19, 1924; E. R. Cameron, K. C., appointed December 11, 1924, to take the place of Mr. Newcombe, who was appointed to the Supreme Court Bench; H. H. Dewart, K.C., Toronto, deceased; Alex. MacGregor, Barrister, Toronto, appointed to succeed H. H. Dewart, August 22, 1924, resigned October 21, 1925; E. J. Daly, Barrister, appointed December 28, 1923; F. R. McD. Russell, K.C., appointed December 28, 1923; L. A. Rivet, K.C., appointed December 28, 1923; Napoleon Laliberte, Secretary, appointed March 1, 1923.

3.

The Honourable the Minister of Justice, (a) nil; (b) nil; The Honourable the Solicitor General, (a) nil; (b) nil; The Rt. Hon. Sir Chas. Fitzpatrick, (a) $8,236.52; (b) $753.00; E. L. Newcombe, K.C., (resigned), (a) $2,085.75; (b) $40.00; E. R. Cameron, K.C., (a) $3,419.35; (b) $79.10; H. H. Dewart, K.C., (deceased), (a) $1,189.50; (b) $260.00; Alex. MacGregor, (resigned), (a) $2,909.92; (b) $300.00; E. J. Daly, (a) $5,147.81; (b) nil; F. R. McD. Russell, K.C., (a) $5,147.81; (b) $2,500.00; L. A. Rivet, K.C., (a) $5,147.81; (b) $520.00; Napoleon Laliberte, Secretary, (a) $7,666.63; (b) nil.

4.

Their services have been paid for up to January 31, 1926.

5.

Yes.

6.

No, but it is anticipated that the work will be completed during the present calender year.

7.

Probably will not exceed $100,000.

IMPERIAL PENSIONS IN CANADA

Mr. STEWART (Leeds):

1. Has the government any information as to the intention of the British Ministry of Pensions to take over the administration of the Imperial Pensions in Canada and the United States, which administration has been carried on by the Canadian Government for some years for the British Government?
2. Has any claim for compensation been made by the British Government on account of alleged maladministration by the Canadian Government of these pensions or services connected therewith?
3. What is the amount of such claim?

Hon. Mr. MACDONALD:

1. Yes.
2. No.
3. Answered by No. 2.

WELLAND CANAL

Mr. PETTIT:

1. On what basis were the contracts let for the construction of the various sections of the New Welland ship canal with respect to wages prior to 1st April, 1925?

2. Were not the tenders for those contracts made and accepted on that basis?

3. When and to what extent were those wages subsequently reduced and at whose instance?

4. Who got the benefit of the reduction, the government or the contractor and in what way and to what extent?

5. Was there any refund or rebate to the contractor and in what way?

6. Are not ordinary labourers now working on the present Welland canal paid 38 and 40 cents an hour and how does the Government differentiate between those labourers and the ordinary labourers on the new ship canal who are only paid 25 cents an hour?

Hon. Mr. KING (Kootenay):

1. Four contracts for the construction of various sections of the Welland ship canal made prior to April 1, 1925, are still current. These contracts all contained fair wages clauses providing that the mechanics, labourers and other persons performing labour in the construction of the works were to receive such wages as are generally accepted as current from time to time during the continuance of the contract for competent workmen in the district in which the work is being performed, or if no rates were current in the district, then fair and reasonable rates. In the contract for sections 1 and 2, which was made in 1921, and in the contract for sections 3 and 4, which was made in 1922, it was provided that in the event of a dispute arising as to what were the current or fair and reasonable rates of wages, they should be determined by the Minister of Labour, whose decision should be final. The other contracts for sections 7 and 8 empowered the Minister of Labour at any time and from time to time to determine for the purposes of the contract what were the current or fair and reasonable rates of wages for the workmen employed.

2. Yes.

3. On May 1, 1922, certain reductions were sanctioned by the Minister of Labour in the rates of wages which had previously been in force on Sections 1 and 2 of the Welland ship canal. These reductions were based on an inquiry into the current wages conditions in the district. On June 1, 1923, the rates in effect on Sections 1, 2, 3, and 4 were increased by the contractors five cents an hour, which increase was subsequently confirmed by the Minister of Labour, excepting as to carpenters, in respect of whom a further increase of five cents an hour was provided in accordance with the rates current in the district. On April 1, 1925, certain reductions in wage rates were sanctioned by the Minister of Labour amounting in general to five cents per hour. These reductions were based on an enquiry into the current wages conditions in the district. The revision of wage rates which was made in 1922 and in 1925 was made on application of the contractors; the revision which was made in 1923 was made on application of the employees.

4. The contracts with the government for the several sections of the Welland ship canal were made on unit prices for the work of excavation, etc., which was involved. The benefit of wages reductions inured, therefore, to the contractors, and the benefit of wages increases to the workmen employed.

5. No.

6. Ordinary labourers employed on the present Welland Canal are receiving rates of from 30c to 40c an hour, varying somewhat in different localities. These rates have been in effect for a number of years past. The minimum rate of wages of ordinary labourers employed on the Welland ship canal construction is at present one of 35c an hour, based on current wages conditions in the district.

ELECTRICAL ENGINEERING COMPANY

Mr. FOSTER:

1. Has the charter of the Electrical Engineering Company of Montreal, Quebec, been cancelled?

2. If so, at whose request, and for what reasons?

3. To whom, if anybody, has the name been given?

Hon. Mr. LAPOINTE:

1 and 2. No company of this name has been incorporated under part 1 of The Companies Act. The Secretary of State has authority to cancel a charter only when so requested by petition of the company in question under the authority of Section 27A of the Companies Act as amended.

3. The above name has not been granted to any company by this department.

TRANSPORTATION OF COAL

Mr. CHURCH:

1. What sums were voted by parliament in the years 1923, 1924 and 1925 to bonus the carrying of Canadian coal, and how was this money expended, and what part went to bonus Alberta and Maritime coal in each of the above years?

2. Will the government this year continue this policy and extend it?

Hon. Mr. STEWART:

1. In 1923-24. No money voted for this department (Department of Mines).

In 1924-25. Voted $200,000. Vote No. 483.

Paid Canadian Pacific Railway Co...	$ 657 63
Paid Canadian National Railways..	10,393 44
Total expended (Maritime coal only)..	$11,051 07

In 1925-26. Voted $5,000. Vote No. 479. Expended $3,215.40. Paid direct to railways in settlement of accounts for coal shipped under 1924-25 agreement which were not rendered at close of that fiscal year (Maritime coal).

In 1925-26. Voted $25,000. Vote No. 475. To provide for expenses in connection with a trial shipment of Alberta Coal to Ontario, with the object of determining the actual cost of carriage by rail, by payments to be made to the Canadian National Railways at the rate of $1 per ton. None expended to date.

2. Under consideration.

Mr. CHURCH:

1. Will the government as set out in the Railway Act direct the Railway Commission, under the Railway Act, to enforce the Railway Act and grant the Maritime provinces mines equality of treatment as to special rates for coal similar to that given Alberta in carrying coal to central Canada, and enforcing the Railway Act, which provides that the railway commission of its own volition must see that there is as to rates equality of treatment between localities and that rates must be just, fair, reasonable and equitable as between localities with no unjust or unfair discrimination as between the carrying of coal from Alberta to central Canada, and the rates from Nova Scotia?

2. If not, why, and will a coal inquiry be instituted, and when?

Hon. Mr. LAPOINTE: By order in council P.C. 226, February 13, 1926, the Board of Railway Commissioners for Canada has been requested to immediately inquire into and report to the government upon, the question of the cost of transportation per ton, in full capacity train load quantities, of seasonal movements of coal from the producing points in the Maritime provinces to selling points in Quebec and Ontario. Similarly by order in council P.C. 225 of February 13, 1926, the Board of Railway Commissioners for Canada was requested to conduct a similar inquiry and report to the government with respect to the cost of transportation of Alberta coal to Ontario.

COAL PRICES

Mr. CHURCH:

1. Has the attention of the government been called to the exorbitant rates being charged in central Canada for American cheap soft coal and other substitutes for anthracite coal?

2. Will the government introduce legislation for a "Regulating Coal Act" similar to "The Grain Act" for regulating grain, and also hold an inquiry as to whether a combine exists to enhance prices under The Combines Act?

Hon. Mr. LAPOINTE:

1. Two complaints received.

2. (a) No information.

(b) If an application for inquiry is received, it will be dealt with as required by the Combines Investigation Act.

TORONTO RIFLE RANGES

Mr. CHARTERS:

1. On what date were tenders asked for the purchase of portions of the rifle ranges property in Toronto township, county of Peel?

2. How many acres were offered for sale?

3. How many tenders were received?

4. What were the prices offered?

5. What is the name of the successful tenderer?

6. Is it the intention of the government to offer the remainder of the property for sale?

Hon. Mr. MACDONALD:

1. Tenders were invited on September 9, 1925, and were due on the 23rd September, 1925.

2. 26.7 acres, more or less.

3. Three.

4. $1,351 per acre—offered by W. G. Harris. $1,200 per acre, subsequently increased to $1,525 per acre—offered by Messrs. Hubbs & Hubbs, Ltd. $1,100 per acre—offered by Mr. Abraham Schwarts. Mr. Harris withdrew his offer on the 27th October, 1925, and Mr. Abraham Schwarts on the 29th October, 1925.

5. Messrs Hubbs & Hubbs, Ltd.

6. No.

RAILWAY COMMISSION—SPECIAL CAR

Mr. HARRIS:

1. When was the car Acadia, used by the members of the railway commission, purchased?

2. Was the car then a new modern steel car, selected as being properly adapted to the use of the commission?

3. What was the purchase price?

4. Has the said car been since internally altered and rearranged?

5. If so, of what do such alterations consist?

6. Were the said alterations made under the authority of a resolution of the Board of Railway Commissioners?

7. If not, under what authority were they made?

8. What was the cost of such alterations?

Hon. Mr. ROBB:

1. The car used by the Board of Railway Commissioners has never been purchased by the Board. In 1921 the old car Acadia was considered unfit for further use as a board car, and arrangements were entered into with the Canadian National Railways for a new steel car. Under joint arrangement between the Department of Railways and Canals, the Can-

adian National Railways and the Board of Railway Commissioners, the present car is at the disposal of the board for its exclusive use; the board to be responsible for the car being kept in good repair.

2. Yes.

3. See answer to question No. 1.

4. Yes.

5. Alterations principally in connection with the sleeping compartments in the car.

6. No.

7. The Department of Railways and Canals.

8. Repairs, $4,156.16; remodelling $965.26.

COST OF CANALS

Mr. MacLAREN:

1. What was the cost of operation, maintenance and repairs of the canals for the year 1925?

2. What cost has been incurred by the Dominion government for operation, maintenance and repairs of the canals from the time of confederation to the 31st of December, 1925?

3. What was the cost of construction of the canals from the time of confederation to the 31st of December, 1925?

Hon. Mr. ROBB:

1. $2,993,968.37.

2. $63,129,821.25.

3. $153,062,256.18.

MR. J. E. BISAILLON

Hon. Mr. STEVENS:

1. Was one J. E. Bisaillon recently an employee of the Department of Customs and Excise?

2. Is so, when was he appointed and was his appointment made by the Civil Service Commission or by ministerial authority?

3. If such appointment was made by the Civil Service Commission, who were the members thereof?

4. If such appointment was made by ministerial authority, who was then the Minister of the Department of Customs and Excise?

5. Was the said J. E. Bisaillon promoted in the service subsequent to his appointment?

6. If he was so promoted, what was the date or dates thereof, and was such promotion based upon departmental reports as to his fitness for the higher position?

7. Did the Department of Customs and Excise, or any officer thereof, when making the said reports upon which said Bisaillon was promoted, deceive or mislead the Civil Service Commission as to said Bisaillon's integrity and fitness for promotion?

8. If so, what officer or officers were responsible, and has the government taken or does it intend to take any action towards disciplining them?

Hon. Mr. BOIVIN:

1. Yes.

2. Temporarily employed April 18, 1910. Permanently appointed June 16, 1916 by order in council June 16, 1916.

3. Answered by No. 2.

4. Order in council was passed on recommendation of Hon. J. D. Reid, who was then Minister of Customs.

5. Yes.

6. Promoted by Civil Service Commission on April 1, 1923 and on July 1, 1924 upon departmental ratings as to his fitness for higher position.

7. No.

8. Answered by No. 7.

LABOUR ALONG INTERNATIONAL BORDER

Mr. ROBINSON:

1. In view of the fact of there being a great number of Canadian citizens residing in the cities along the international border, and working in the United States, has the government taken any steps to secure from the government of the United States an agreement that will crystallize into law the present neighbourly understanding as to labour along the border?

2. If so, what negotiations have been carried on and with what results?

Hon. Mr. STEWART:

1. No. The present neighbourly understanding continues to be neighbourly and, as it has continued for many years and as there has been no marked change in the attitude of the United States government, it has not been thought advisable to raise any question concerning the matter. At various points along the international boundary between the Atlantic and Pacific it has been the custom for workmen to reside in one country and work in another. This custom has been so long recognized as to become established. If an attempt were made to establish by law or formal agreement what is now recognized as established by custom it is thought that serious difficulties might arise.

2. Answered by No. 1.

REPARATIONS

Mr. HARRIS:

1. Did the Dominion High Commissioner's office in London receive from the British Treasury £135,475 during February, March or April, 1925, for reparations?

2. If so, on what date was this received?

3. Under what plan was this payment received?

4. What further sums were received from January 1, 1925, to date?

5. What disposition has been made of these moneys?

6. What moneys have been paid for reparation to dependents of those who lost their lives through illegal war measures by Germany?

Hon. Mr. LAPOINTE:

1, 2, 3 and 4. The following payments have been received under "Dawes Plan".

March 19,	1925	£ 135,475. 1.1	or $659,311.93
June 20,	"	£ 122,217. 5.1	or $594,790.64
Sept. 19,	"	£ 39,756.19.6	or $193,483.95
Dec. 22,	"	£ 79,941. 7.5	or $389,048.00
		£ 377,390.13.1	or $1,836,634.52

5. Placed to credit of Receiver General of Canada.

6. No payments have been made.

MR. FRANCIS L. CULLEN

Mr. DOUCET:

1. Was a complaint laid against Mr. Francis L. Cullen, postmaster of Carleton, County of Bonaventure, Quebec?
2. Who laid the complaint?
3. Was an investigation held and when?
4. Who held such investigation?
5. What was the findings of the inquiry?
6. Was Mr. Cullen dismissed?
7. Has the Department made a new appointment?

Hon. Mr. LAPOINTE:

1. Yes.
2. Honourable Charles Marcil, M.P.
3. Yes, on January 12th, 1926.
4. J. A. Nadeau, Barrister, Quebec.
5. Commissioner Nadeau found postmaster guilty of active political partisanship and recommended his dismissal.
6. Yes. Order in council 28-1-26.
7. Permanent appointment will be made by Civil Service Commission. In the meantime, temporary arrangements have been made for management of post office.

IMPERIAL PENSIONS IN CANADA

Mr. ROSS (Kingston):

1. What arrangements exist at the present time for payment of imperial pensions in Canada by the Canadian Government?
2. What arrangements existed previous to the above?
3. Did any official or officials of any Canadian department act for the Imperial Government at any time?
4. Who were these officials and when did they act?
5. What amounts as salary were paid to these officials?

Hon. Mr. LAPOINTE:

Auditor General's Department.

1. & 2. No officials of the Auditor General's Office have ever been engaged in the payment of imperial pensions.

3. Yes.

4. & 5. The following employees of the Auditor General's office have been engaged on the audit of imperial pensions:

Name — Period —	Amount of Salary to Jan. 31st, 1926.
B. R. King, May 19, 1924 to date	$ 3,831 29
A. S. Richardson, June 10, 1924 to date	2,467 35
E. Birtch, July 13, 1925 to date (less 14 d. Aug.)	459 67
D. S. Gough, April 1, 1925 to date	1,100 00
S. C. Stephenson, June 16, 1925 to date	581 94
M. A. Bentley, Dec. 1, 1924 to May 15, 1925	528 38
A. Nelson, Dec. 1, 1924 to July 31, 1925	780 00
H. Peskett, 18½ d. May and 13 d. June 1925	77 25
R. A. L. Hill, June 15, 1925 to Sept. 9, 1925	226 66
M. G. Cox, July 13, 1925 to July 31, 1925	45 97
L. Baron, July 17, 1925 to Aug. 31, 1925	89 03
E. Fancy, July 31, 1925 to Nov. 4, 1925	188 97
B. O'Meara, Dec. 3-31, 1925	56 13
S. Scott, Dec. 2, 1925 to date	118 06
M. Coleman, Nov. 14-18, 1925	10 00
	$ 10,560 70

The following officials of other departments were loaned to the Auditor General for assistance in this work:—

Name and Dept. — Period —	Amount of Salary to 31st Jan. 1926
Interior.	
A. A. Traversey, July 2-21, 1925	$ 135 47
F. Hoad, July 13-Aug. 31, 1925	134 40
Marine and Fisheries.	
J. Roughsedge, July 4-Aug. 24, 1925	141 21
Soldiers' Civil Re-establishment.	
J. Hogan, July 9-31, 1925	96 45
Soldiers' Settlement Board.	
A. Gray, July 17-Aug. 31, 1925	259 67
R. A. Bradshaw, Aug. 6-Aug. 31, 1925	100 64
S. Jamieson, Aug. 6-Sept. 19, 1925	279 68
A. D. Wymbs, Aug. 6-Sept. 5, 1925	160 85
	$ 1,308 37

Accounts for the salaries of all the above employees and also expenditures for printing and stationery and travelling expenses up to August 31 last have been repaid by the Imperial Government. Accounts for the subsequent expenditure will be submitted regularly.

Department of Marine and Fisheries.

1. To accommodate the Board of Trade, London, the Department of Marine and Fisheries at present transmits to each of 12 widows of seamen pensions under the Imperial War Risks Compensation Scheme of the Mercantile Marine, Board of Trade, such funds being supplied by the board.

2. 3. 4. & 5. No information.

Department Soldiers Civil Re-establishment.

1. The work is carried on by the Department of Soldiers' Civil Re-establishment;

the arrangements are set out in an order in council of the 1st of December, 1921 (P.C. 4500).

2. (a) Upon the withdrawal of the British garrison from Halifax in 1906, until April 1908, payments were made by the Department of Militia and Defence.

(b) An order in council of the 5th May, 1908 (P.C. 876) placed the work "under the joint administration of the Deputy Postmaster and the Deputy Minister of Militia & Defence, assisted by the Accountant and Paymaster General of the Department of Militia and Defence, and the Accountant of the Post Office Department as Auditors, subject to the approval of both the Minister of Militia and Defence and the Postmaster General." This arrangement continued until the 31st December, 1919.

(c) An order in council of the 19th January, 1920 (P.C. 133) placed "the administration of imperial pensions in Canada....under the control and administration of the Board of Pension Commissioners." This arrangement continued until the 30th November, 1921.

3. No; the arrangements were as set out in No. 2 (b) and (c).

4. Answered by No. 2.

5. (a) An order in council of the 8th July, 1920 (P.C. 307) shows that, in addition to their regular salaries, the officers appointed under P.C. 876 to administer Imperial Pensions were paid;

The Deputy Postmaster General, $1,500 per annum; the Deputy Minister of Militia and Defence, $1,500 per annum; the Accountant, Militia Dept., $1,200 per annum; the Accountant, Post Office Dept., $1,200 per annum.

(b) Members of the Board of Pension Commissioners and officials of the department have not received any payments in addition to their regular salaries.

RAILWAY COMMISSION—OFFICE FURNISHINGS

Mr. HARRIS:

1. What new furnishings and equipment have been supplied to the office occupied by Mr. Thomas A. Vien, ex-M.P., in the suite of the railway commission.

2. What was the cost of all such new furnishings and equipment?

Hon. Mr. King (Kootenay):

1. Desk, bookcase, chairs, rug, and other fittings.

2. $1,597.10.

Mr. HARRIS:

1. Has the office accommodation formerly occupied by the Honourable Mr. W. B. Nantel and the Honourable M. E. Bernier, and now occupied by Mr. Thomas A. Vien, ex-M.P., been enlarged?

2. Was this enlargement made on the authority of a resolution of the Board of Railway Commissioners?

3. Was a request made to the Department of Public Works by Thomas A. Vien, ex-M.P., that this office be enlarged?

4. Was an unfavourable report made on such request by an engineer of the Department of Public Works?

5. Who caused the changes to be made and by whose authority?

6. What was the cost of enlarging this said office accommodation?

Hon. Mr. KING (Kootenay):

1. Yes.

2. Yes.

3. Yes.

4. No.

5. Changes requested by railway commission and carried out by Public Works department.

6. $733.

EXECUTIONS AT OKALLA PRISON

Hon. Mr. STEVENS:

1. Is the government aware that it has been publicly charged that 125 invitations were issued to witness the execution of two criminals—Sowash and Baker—at the Okalla prison recently? If so, will the government make necessary inquiries to ascertain the truth in the matter?

2. Is the government aware that it is publicly charged that "passes" issued to witness the Sowash-Baker execution were sold by recipients at $5 each? If not, will the government take necessary steps to ascertain the truth or otherwise of this public charge?

3. Will the government take necessary steps to limit witnessing of executions strictly to those officially entitled to be present?

Hon. Mr. LAPOINTE: The government has no knowledge of the matter, and in any event the responsibility for the proper carrying out of death sentences rests entirely with the provincial authorities who are charged with the administration of criminal justice.

ESCUMINAC BREAKWATER

Mr. HANSON:

1. Has a contract been let by the Department of Public Works for the construction of a breakwater at Escuminac, New Brunswick?

2. If so, to whom, at what price and when is the work to be completed?

3. How many tenders were received for this work, and what were the amounts of such tenders?

4. Were tenders called for more than once? If so, why?

Hon. Mr. KING (Kootenay):

1. Yes.

2. (a) The Burpee Construction Co. Ltd.

(b) Unit prices totalling approximately $43,991.

(c) April 29, 1927.

3. (a) Four.

(b) $43,991.00 unit prices.
$44,345.25 unit prices.
$44,715.00 unit prices.
$44,952.00 unit prices.

4. (a) Yes.

(b) After the reception of the first tenders, two tenderers advised the department that they had made mistakes in the amount of their tenders. Another tender was irregular owing to it not being accompanied by the required security. In view of these unusual circumstances, it was considered advisable to invite new tenders.

CENSUS—MANITOBA SASKATCHEWAN AND ALBERTA

Mr. STEWART (Leeds):

1. Has the government arranged for a census of the provinces of Manitoba, Saskatchewan and Alberta, or any of them?
2. If so, is it the intention of the government to arrange for such census?
3. What is the object and scope of same?

Hon. Mr. ROBB:

1. Yes.
2. Yes.
3. The object and scope of this census are defined in sections 17 and 19 of the Statistics Act (8-9 Geo. V., c. 43). The schedules which will be employed were printed in a supplement to the Canada Gazette dated January 30, 1926.

SALES TAX AND CUSTOMS REBATES

Sir HENRY DRAYTON:

1. What rebates were given or credits allowed under the legislation of 1924 (a) in respect of sales tax receipts, (b) in respect of customs duties receipts?
2. What rebates were given or credits allowed the Massey-Harris Company under the legislation of 1924, (a) in respect of sales tax receipts, (b) in respect of customs duties receipts?
3. Are there any claims for rebates or credits under the said legislation as yet undisposed of: if so, what are they?

Hon. Mr. BOIVIN:

1. This information can only be given in form of a return.
2. It is contrary to practice to give information which would disclose details of the business of an individual concern.
3. Same as No. 1.

CANADIAN SHELL COMMITTEE

Mr. ROSS (Moose Jaw):

1. When was the Canadian Shell Committee appointed?
2. When did the committee cease to function?
3. What were the duties of the committee?
4. What persons were members of the committee?
5. What remuneration or allowances were collected by the members of the committee?
6. What were the profits of the committee?
7. In what proportion were these profits distributed, (a) to members of the committee, (b) to the Canadian government, (c) to the British government, (d) otherwise?
8. What report was made by Mr. D. A. Thomas (Lord Rhondda) on the activities of the committee?

Hon. Mr. MACDONALD:

1. September 7, 1914.
2. November 29, 1915.
3. To act for War Office in procuring the production of shells in Canada.
4. Col. A. Bertram, R.O., Chairman, Brig.-General T. Benson, Master General of the Ordnance, Hon. Colonel T. Cantley, Lt.-Col. C. Greville Harston, Chief Inspector of Arms and Ammunition, Hon. Col. G. W. Watts, Lt.-Col. F. D. Lafferty, R.C.A., Superintendent of Dominion Arsenal, E. Carnegie, Esq., J. W. Borden, Esq., Accountant & Paymaster-General, Hon. Col. D. Carnegie, Ordnance Adviser.

5 and 6. No information.

7. (a), (c), (d). No information.

(b). No money was paid to the Department of National Defence.

8. No information.

DRAWBACK CLAIMS

Mr. LAPIERRE:

1. When did the "equivalent order" of 1919 come into effect, in regard to payment of drawback claims?
2. What drawback claims were paid and to whom, on the strength of the above equivalent orders during the years of 1919 and 1920?

Hon. Mr. BOIVIN:

1. June 6, 1919.
2. It is contrary to practice to give information which would disclose details of the business of any individual concerns.

IMPORTATION OF SPIRITUOUS LIQUORS

Hon. Mr. MANION:

1. Regarding the importation of spirituous liquors into Canada, does the government of Canada insist upon these spirituous liquors being aged before importation?
2. If so, what is the time of ageing?
3. Was an order in council passed during the past year dealing with this matter?
4. If so, will the government lay on the table of the House this order in council and all other correspondence in connection therewith between the government and the British Trade Commission or any other persons or organizations?

Hon. Mr. BOIVIN:

1. Yes.
2. Two years.
3. Two orders in Council were passed. P.C. 1542 and 1734.
4. Yes.

RIGAUD POSTMASTERSHIP

Mr. DOUCET:

1. Who has been appointed postmaster at Rigaud, Vaudreuil-Soulanges County, since the death of Miss Josephine Charlebois?
2. By whom recommended?
3. Is the government aware that the present postmistress, Mrs. Georges Seguin, is a married woman and under her husband's tutelage?

4. Have complaints been received by the department as to the manipulation of correspondence and the opening of letters before the delivery from the said post office of Rigaud?

5. If so, what action has been taken by the Post-Office department and with what result?

6. If complaints were well founded, is it the intention of the department to make a change in that appointment, and when?

Hon. Mr. LAPOINTE:

1. Madame Georges Seguin (temporarily).

2. Senator Boyer, J. R. Ouimet, ex-M.P.

3. The department is aware that Madame Seguin is married.

4. Yes.

5. Incident investigated by post office inspector. Postmistress accepts official responsibility but denies personal culpability.

6. Permanent appointment will be made by the Civil Service Commission, and if Madame Seguin is not the person appointed, office will be transferred to new appointee immediately after the commission's certificate is received.

BIC HARBOUR IMPROVEMENTS

Mr. DOUCET:

1. What sums of money were expended for repairs at Bic, Rimouski County, Quebec, during the years 1924 and 1925, for (a) repairs to old wharf; (b) dredging of the harbour; (c) removal of old wharf at Pte-à-Coté?

2. What sums were paid for lumber for such repairs to Bic wharf?

3. How was the lumber taken off from Pte-à-Coté wharf disposed of?

4. To whom was it sold and at what price?

Hon. Mr. KING (Kootenay):

1. (a)	1924—$243 76	1925—$5,484 58
(b)	1924—nil	1925— 1,533 12
(c)	1924—nil	1925— 799 98

2. $2,885.58.

3. The district engineer reported that the timber taken from this wharf was rotten, in broken pieces and could be used only as firewood and therefore requested the foreman to ask for bids. The highest offer was accepted, it being required of the purchaser to clear the site where the timber was piled, and remove all refuse timber stranded on beach lots of summer residents, in the neighbourhood of the Pte-à-Coté wharf.

4. (a) Ernest Thibault (b) $10.

SUBMARINES ON EAST COAST

Mr. BLACK (Halifax):

1. How many submarines are at present on the east coast of Canada?

2. What are their numbers?

3. Where are they?

4. What is their condition?

5. Are they in suitable condition for active or any service?

6. What was the cost of maintaining them for the year ending March 31, 1925?

Hon. Mr. MACDONALD:

1. Two.

2. C.H. 14 and C.H. 15.

3. Halifax, N.S.

4. Out of active commission.

5. Yes. After refit.

6. $944.08.

CANADIAN NAVAL OFFICERS ON IMPERIAL SHIPS

Mr. BLACK (Halifax):

1. How many Canadian naval officers are now serving on imperial ships?

2. Who pays their salaries?

3. How many are taking courses in England?

4. Who pays their salaries?

5. What is the annual cost to Canada of such officers?

6. Are there any qualified officers available to take up appointments in ships of the Royal Canadian navy? If so, how many?

7. What are they doing now?

8. Are they on pay?

Hon. Mr. MACDONALD:

1. Twelve.

2. The Canadian Government.

3. Eleven.

4. The Canadian Government.

5. Under question 1—$33,525.25.
Under question 3—$26,225.25.

6 and 7. All officers of the Royal Canadian navy are qualified to take up appointments in their various ranks in ships of the Royal Canadian navy.

It is necessary, however, that a certain number of officers of the Royal Canadian navy should serve in ships and establishments of the Royal navy whilst attending specialist courses or courses for promotion, or whilst obtaining sea-going experience in various classes of warships.

The present allocation of the officers of the Royal Canadian navy is 43 officers serving in H.M.C. ships and establishments, and 23 serving in ships and establishments of the Royal navy.

8. Yes.

VERNAL STATION, N.S., POSTMASTER

Mr. FOSTER:

1. Was Hugh Power, postmaster at Vernal Station, Nova Scotia, dismissed from the service? If so, what was the date of his dismissal?

2. What, if any, was the charge made against him and on whose recommendation was he dismissed?

3. What salary does the postmaster receive?

Hon. Mr. LAPOINTE:

1. Yes. 28th January, 1926.

2. Charges of active political partisanship were made by the member of the constituency.

3. $60.

AFTON STATION POSTMASTER

Mr. FOSTER:

1. Was J. F. McKeough, postmaster at Afton Station, dismissed from the Service? If so, what was the date of his dismissal?
2. What, if any, was the charge made against him, and on whose recommendation was he dismissed?
3. What salary does the postmaster receive?

Hon. Mr. LAPOINTE:

1. Yes. 28th January, 1926.
2. Charges of active political partisanship were made by the member for the constituency.
3. $63.

MARYVALE, N.S., POSTMASTER

Mr. FOSTER:

1. Was Allen MacDonald, postmaster of Maryvale, Nova Scotia, dismissed from the service? If so, what was the date of his dismissal?
2. What, if any, was the charge made against him, and on whose recommendation was he dismissed?
3. What salary does the postmaster receive?

Hon. Mr. LAPOINTE:

1. Yes. 28th January, 1926.
2. Charges of active political partisanship were made by the member for the constituency.
3. $60.

LABELLE, QUEBEC, POSTMASTER

Mr. DOUCET:

1. Was Mr. McGibbon dismissed from the postmastership of Labelle, Quebec?
2. If so, when and for what cause or causes.
3. Were complaints laid against him and when?
4. Who has been appointed as successor and when?
5. Was the appointment made by the Civil Service Commission?
6. Is the appointee a returned soldier?

Hon. Mr. LAPOINTE:

1. Yes.
2. 21st August 1924. Absence without leave, irregularities in accounts and shortage in post office funds.
3. No.
4. Paul St. Jacques—10th March 1925.
5. Yes.
6. No.

BRITISH EMPIRE STEEL CORPORATION—COAL AND STEEL RODS

Mr. McLEAN:

1. What was the total importation of steel into Canada by the British Empire Steel Corporation and its subsidiaries during the calendar year 1925?
2. What was the total importation of coal into Canada by the British Empire Steel Corporation and its subsidiaries during the calendar year 1925?
3. What was the total importation of coal into Canada in vessels of the British Empire Steel Corporation, and (a) the vessels (b) firms to which the coal was consigned?
4. What was the total importation of steel rods from Germany by the British Empire Steel Corporation mentioned on page 1067 of unrevised Hansard?
5. What amount of duty was collected on the steel rods mentioned in part 4 of this question?
6. What is the amount of drawback claimed by the British Empire Steel Corporation on the steel rods mentioned in part 4 of this question?
7. What will be the net amount added to the treasury of Canada as the result of the importation of the steel rods from Germany mentioned in part 4 of this question?
8. What amount, if any, of the coal mentioned in parts 2 and 3, of this question have been sold to the government or or to individual firms as Canadian coal?

Hon. Mr. BOIVIN:

1, 2, 3, 4, 5, 7, 8. The information asked for is not on file and it is contrary to practice to give information which would disclose details of the business of an individual concern.

6. The British Empire Steel Corporation has never claimed drawback on steel rods.

WELLAND CANAL

Mr. BELL (St. John):

What amount of money has already been expended on the Welland canal and what is the estimated amount required to complete this work?

Hon. Mr. ROBB: Total cost Welland ship canal to December 31, 1925, $60,573,573.83; estimated requirement to complete $55,000,000.

Mr. SENN:

1. How many sections is the Welland canal divided into for purposes of construction?
2. How many sections are not completed?
3. What will be the cost of finishing each section?
4. What depth of water will be maintained in the new canal?
5. Has the lowering of the lake levels affected its capacity?

Hon. Mr. ROBB:

1. Eight.
2. Eight.
3. At present stage of construction, it is not possible accurately to proportion among the various sections items of expenditure common to the canal as a whole, and no attempt has been made to estimate the cost of completing each section. The estimated cost of completing the whole canal is approximately $55,000,000.
4. 25 feet for the present.
5. To date the level of Lake Erie, or of Lake Ontario, has not been low enough to affect the designed capacity of the canal.

GRAIN VIA CANADIAN WATER ROUTE

Mr. MacLAREN:

What is the cost of delivering grain from Fort William to Liverpool via all Canada water route?

Hon. Mr. ROBB:

The Dominion Bureau of Statistics records indicate as follows: Average lake freight rate on wheat Fort William to Montreal, October, 1925, 10.58 cents; November, 1925, 9.15 cents. Ruling rate Montreal to Liverpool, October, 1925, 8.25 cents to 10.50 cents; November, 1925, 9.75 cents to 12 cents. Total rate by water, Fort William to Liverpool, October, 1925, 18.83 to 21.08 cents per bushel. November, 1925, 18.90 to 21.15 cents per bushel, to which must be added terminal charges at Montreal, unloading lake boat, wharfage, brokerage, loading, stevedoring, etc., about 2.7 cents per bushel, making total charges 21.53 to 23.85 cents per bushel exclusive of insurance which is based on the value of the wheat.

ST. LAWRENCE WATERWAY

Mr. MacLAREN:

1. What amounts have been spent by the Dominion Government since confederation on the deepening of the St. Lawrence waterway?
2. What amounts have been spent in lighthouse services and maintenance on the St. Lawrence waterway since confederation?
3. What amounts have been spent on ocean terminals in the port of Montreal (a) by the Public Works department; (b) by the Montreal Harbour Commission?
4. What amounts have been spent on ocean terminals in the port of Quebec (a) by the Dominion Government; (b) by the Quebec Harbour Commission?

Hon. Mr. LAPOINTE:

Department of Marine and Fisheries

1. So far as this department is concerned the amount spent on the river St. Lawrence Ship Channel between Montreal and Father Point; cost of dredging, plant, shops, surveys, etc., from confederation to end fiscal year March 31, 1925, $26,203,145.18.

2. $27,179,049.02.

3. (b) on harbour improvements and facilities $48,772,313.80 to November 30, 1925.

4. (a) Amount voted under Public Works Department was transferred to Department of Marine and Fisheries and administered by the latter, $493,332.93. (b) on harbour improvements and facilities, $14,676,867.67 to December 31, 1925.

Department of Public Works

1. River St. Lawrence—Improvement of Canadian channel between Kingston and Brockville—$146,735.11.

2. No information.

3. (a) $1,070,265.56. This does not include the floating dock at Montreal upon which an annual subsidy of 3½ per cent for a period of 35 years on an amount of $3,000,000 is being paid since 1st January, 1914.

[Mr. MacLaren.]

4. (a) $4,856,516.86, exclusive of the graving docks upon which the following amounts have been spent:—

Total expenditure for "Lorne" graving dock—	
Construction. Advances to Quebec Harbour Commissioners.	$ 875,000 00
By this department...	120,629 24
Repairs	5,086 44
Maintenance...	634,827 78
Total expenditure...	$1,635,543 46
Revenue...	$770,907 88
Total expenditure for "Champlain" graving dock—	
Construction...	$4,180,268 68
Maintenance...	229,017 26
Total expenditure..	$4,409,285 94
Revenue	$177,344 54

Department of Railways and Canals

1. Amount spent by the Dominion government since confederation on the deepening of the St. Lawrence Waterways is $34,029-333.92.

2, 3, & 4. No information.

SENIOR JUDGE, PRESCOTT AND RUSSELL—RESIDENCE

Mr. BARBER:

1. Where does the senior judge of the counties of Prescott and Russell (Ontario) reside?
2. Does said judge reside in said counties as required by statute?
3. If not, why?
4. What action does the government propose to take in the matter?

Hon. Mr. LAPOINTE:

1. So far as the government is informed, the judge resides at Vankleek Hill in the county of Prescott.

2, 3, 4. Answered by No. 1.

HIGH COMMISSIONER'S OFFICE—MR. J. REID HYDE

Sir GEORGE PERLEY:

1. For how many days in the fiscal year 1924-1925 was J. Reid Hyde employed in the High Commissioner's office at London?
2. What was his remuneration per day?
3. What service did he perform?

Hon. Mr. LAPOINTE:

Department of External Affairs:

1. Number of days J. Reid Hyde was employed in the High Commissioner's Office at London during the fiscal year 1924-25 was 120.

2. His remuneration per day was £7-0-0.

3. Mr. J. Reid Hyde gave professional services in the following instances: Interviews and Conferences, etc., on Roumanian and Greek Bond Issues. Soviet Conference at

Foreign Office. Trade—Irish Free State. Conferences with Public Works re new building. Conference with Auditor General on accounts. Attendance at Foreign Office re Anglo-Soviet Conference. Visit to Canadian Offices in England and Scotland and report thereon. Attendance at Imperial Shipping Committee. Attendance at Board of Trade Advisory Council. Conference at Treasury and other government departments on reparations. Conference with Admiralty and Air Ministry re Canadian claims. Consultations re delivery Roumanian and Greek Bonds. Consultation re French and Belgian debt repayments. Inspection of securities.

Department Secretary of State:

1. 65½ days.

2. £7-0-0 per day.

3. Has investigated the records and books of the Public Trustee for the purpose of ascertaining what Canadian securities should be handed over to the Custodian, attended numerous conferences at the Central Clearing Office, with the English Public Trustee and with the British Treasury and Board of Trade and acting generally as the London Representative of the Canadian Clearing Office and Custodian.

CLOVER SEEDS—IMPORTS

Mr. DOUCET:

1. What was the total importation of clover seeds in (a) 1923; (b) 1924; and (c) 1925?

2. Of that amount, how much originated from the countries of southern Europe?

Hon. Mr. MOTHERWELL:

Imports of Clover Seed Into Canada During the Fiscal Years Ended March 31, 1923, 1924 and 1925

Countries Whence Received	1923		1924		1925	
	Quantity	Value	Quantity	Value	Quantity	Value
	Pounds	$	Pounds	$	Pounds	$
United Kingdom	335,363	87,260	1,709,037	324,738	833,006	282,995
Australia	120	13	.....	.....	.....	.....
New Zealand	.....	.....	150	33	.....	.....
France	.....	.....	208,468	29,356	354,584	95,411
Germany	.....	.....	1,089	473	1,100	429
Sweden	425	227	303	136	.....	.....
United States	1,912,102	372,139	546,090	112,970	1,478,549	329,013
Total	2,248,010	459,639	2,465,137	467,706	2,667,239	707,848

EGG GRADING AND IMPORTS

Mr. SUTHERLAND (South Oxford):

1. When did the egg grading regulations now in effect in Canada come into effect?

2. What are the different grades provided from the highest to the lowest?

3. How many dozens were graded and classified under each grade in each year since the act came into effect?

4. How many dozens were sold ungraded by the producers during the time mentioned in question 3?

5. How many egg grading inspectors or graders were employed by the government during the time referred to?

6. What was the total cost in salaries and expenses for the graders referred to, during each of the years mentioned?

7. Are eggs imported into Canada in the shell, or broken, graded by Canadian Government inspectors or graders?

8. How many dozens and quantities were imported into Canada during the years mentioned, and from what countries were they imported?

Hon. Mr. MOTHERWELL:

1. The regulations respecting export and interprovincial shipments of eggs came into effect on April 18, 1918. On October 7, 1922, the regulations with respect to import shipments came into effect. The regulations with respect to domestic trading came into effect on July 7, 1923 and were further amended on April 26, 1924.

2. The classes and grades of eggs as given in Clause 2 of the egg regulations of the Live Stock and Live Stock Products Act are:—

Class (1) Fresh
- Grade (a) Specials.
- Grade (b) Extras
- Sub Grade (1) Pullet Extras.
- Grade (c) Firsts.
- Grade (d) Seconds.

Class (2) Storage.

Class (2a) Preserved.
- Grade (a) Extras.
- Grade (b) Firsts.
- Grade (c) Seconds.

Class (c) Cracked and dirty.

3 and 4. The Department has no record of the number of eggs classified and graded into

the different grades throughout Canada nor of the number of eggs sold ungraded by the producers; nor would it be possible to secure such information.

5. Owing to the demand by the trade for departmental employees, there is a steady change in the personnel of the temporary staff. Among those listed as being in the service for a portion of the year some were on the staff the first part of the year and some during the latter part of the year.

1918—Six inspectors from May 1 to December 31.

1919—Six inspectors for the full year. Five inspectors for a portion of the year.

1920—Ten inspectors for the full year. One inspector for a portion of the year.

1921—Nine inspectors for the full year. Five inspectors for a portion of the year.

1922—Sixteen inspectors for the full year. twelve permanent and four temporary. Five inspectors for a portion of the year, two permanent and three temporary.

1923—Fifteen inspectors for the full year, thirteen permanent and two temporary. Eleven inspectors for a portion of the year, three permanent and eight temporary.

1924—Twenty inspectors for the full year, sixteen permanent and four temporary. Eight inspectors for a portion of the year, one permanent and seven temporary.

1925—Twenty-three inspectors for the full year, sixteen permanent and seven temporary. Thirteen inspectors for a portion of the year, one permanent and twelve temporary.

6.

Expenditure in connection with Egg Inspection and Grading by Fiscal Years

	Salaries	Expenses	Sundries	Total
From April 1, 1918 to March 31, 1919..	$ 7,814 40	$ 6,368 68	.....	$14,183 08
From April 1, 1919 to March 31, 1920..	11,314 95	12,220 47	.....	23,535 42
From April 1, 1920 to March 31, 1921..	13,907 80	10,312 88	.....	24,220 68
From April 1, 1921 to March 31, 1922..	21,795 52	12,637 95	.....	34,433 47
From April 1, 1922 to March 31, 1923..	25,921 79	19,723 23	.....	45,645 02
From April 1, 1923 to March 31, 1924..	33,779 75	19,667 92	$ 445 81	53,893 48
From April 1, 1924 to March 31 1925..	42,193 86	18,121 51	2,592 21	62,907 58
From April 1, 1925 to Feb. 28, 1926..	50,558 49	25,105 99	3,509 70	79,174 18

7. All shipments of eggs in the shell imported into Canada for domestic consumption, but not including eggs for incubation are subject to inspection by Canadian government inspectors. A representative sample is taken by the inspector and the grading determined from this sample is given in the Inspector's import certificate as the grading of the shipment. There are at present no regulations with respect to importations of broken eggs.

8. The regulations respecting import trading came into effect in October, 1922. In the first two columns of the attached table are given the importations for the remainder of the fiscal year after the import regulations came into effect.

Imports for the fiscal years 1924 and 1925 are then given, followed by the imports during the elapsed ten months of the current fiscal year.

DOMINION BUREAU OF STATISTICS—EXTERNAL TRADE BRANCH

IMPORTS OF EGGS INTO CANADA FROM OCTOBER 1, 1922, TO JANUARY 31, 1926

Countries Whence Received	October 1, 1922, to March 31, 1923		Fiscal year ended March 31, 1924		Fiscal year ended March 31, 1925		April 1, 1923 to January 31, 1926	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
	Dozen	$	Dozen	$	Dozen	$	Dozen	$
Eggs in the shell:—								
From United Kingdom	61	31	250	686	10	52	.....	.....
Hong Kong	26,930	5,968	55,559	12,679	51,343	12,872	42,419	11,529
Newfoundland	.....	.....	.....	.....	.....	.....	2	1
China	125	21	1,150	174	77,908	15,243	1,741	392
Japan	.....	.....	.....	.....	.....	.....	11,430	5,829
United States	7,333,141	2,262,793	6,454,313	1,961,477	2,564,551	917,100	211,036	86,329
Alaska	.....	.....	1,540	691	1,235	552	1,764	851
Total	7,360,257	2,268,813	6,512,812	1,975,707	2,695,047	945,819	268,392	104,931
Eggs, N.O.P.—	Pounds	$	Pounds		Pounds	$	Pounds	$
From United Kingdom	Prior to the Fiscal Year, 1925, such imports were included with "Unenumerated" animal products.				198,011	35,201	109,964	17,047
Hong Kong					300	5	.....	.....
China					560,257	89,545	1,016,408	179,515
United States					413,383	90,729	54,707	15,940
Total					1,171,951	215,480	1,181,079	212,502

[Mr. Motherwell.]

DORCHESTER PENITENTIARY INQUIRY

Mr. DOUCET:

1. Was an inquiry held in connection with one Kane, ex-officer of the Dorchester penitentiary, in New Brunswick? If so, who conducted the inquiry?
2. Was the government represented by counsel? If so, by whom?
3. What were the disbursements, (a) for investigator; (b) counsel; (c) other expenses?

Hon. Mr. LAPOINTE:

1. Yes, Mr. James McQueen, Barrister, of Shediac.
2. Yes, Hon. I. C. Rand, A.B., L.L.B., of Moncton.
3. (a) $1,154.90.
   (b) 1,470.00.
   (c) 3,100.35.

UNCLAIMED BANK BALANCES

Mr. SPENCER:

1. What was the amount of unclaimed balances in the Canadian chartered banks as on December 31, 1925?
2. What was the amount of unclaimed balances in the Quebec savings banks as on December 31, 1925?

Hon. Mr. ROBB:

1. Amount reported by banks, under section 114 of the Bank Act, $2,396,063.51.
2. Amount reported by banks, under section 59 of Quebec Savings Bank Act, $237,289.73.

CANADIAN NATIONAL RAILWAYS—EARNINGS, ETC.

Hon. Mr. EDWARDS (Frontenac):

1. What is the mileage of (a) Canadian National Railways, and (b) Canadian Pacific Railway?
2. What were the (a) gross earnings; (b) operating costs; (c) net earnings, of the Canadian National Railways and the Canadian Pacific Railway in each of the years 1921 to 1925, inclusive?
3. What were the number of employees on (a) Canadian National Railways, and (b) Canadian Pacific Railway, in each of the years 1921, 1922, 1923, 1924 and 1925?
4. What were all the rail rates per bushel on wheat from central Saskatchewan to Quebec in 1913, 1916, 1918, 1920, 1921, 1922, 1923, 1924 and 1925?
5. What were the rates from central Saskatchewan to Fort William in the years mentioned in question No. 4?
6. What were the water rates in the same years from Fort William to Montreal?

Hon. Mr. LAPOINTE:

1. Mileage operated: Dec. 31, 1925
   (a) Canadian National.. .. 22,197
   (b) Canadian Pacific. 13,761

2. Canadian National Railways—

	Canadian Lines	U.S. Lines	Total
(a) Gross Earnings:			
1921..	201,204,669	27,448,591	227,653,260
1922..	203,062,345	30,996,680	234,059,025
1923..	214,787,207	38,348,281	253,135,488
1924..	201,224,493	24,363,689	235,588,182
1925..	208,218,921	36,752,282	244,971,203
(b) Operating Costs:			
1921..	211,531,034	28,665,804	240,196,838
1922..	205,572,978	25,599,335	231,172,313
1923..	202,936,659	29,768,180	232,704,839
1924..	189,460,404	28,883,527	218,343,931
1925..	184,373,202	28,333,586	212,706,788
(c) Net Earnings:			
1921..	Dr. 10,326,365	Dr. 1,217,213	Dr. 11,543,578
1922..	Dr. 2,510,633	5,397,345	Cr. 2,886,712
1923..	11,850,548	8,580,101	Cr. 20,430,649
1924..	11,764,089	5,480,162	Cr. 17,244,251
1925..	23,845,719	8,418,696	Cr. 32,264,415
Canadian Pacific Railway—			
(a) Gross Earnings:			
1921..	.....	.....	193,178,866
1922..	.....	.....	185,188,951
1923..	.....	.....	192,827,930
1924..	.....	.....	180,796,044
1925..	.....	.....	182,610,792
(b) Operating Costs:			
1921..	.....	.....	155,855,419
1922..	.....	.....	147,255,641
1923..	.....	.....	155,040,207
1924..	.....	.....	143,258,644
1925..	.....	.....	140,663,059

(c) Net Earnings:

1921..	.....	37,323,449
1922..	.....	37,933,310
1923..	.....	37,787,723
1924..	.....	37,537,400
1925..	.....	41,947,733

3. Number of Employees—

	Canadian National	Canadian Pacific
1921..	88,710	62,861
1922..	86,524	63,429
1923..	94,107	66,842
1924..	87,601	66,080
1925..	86,041	56,816

4 From Saskatoon to Quebec:

	Cents per 100 lbs.
1913..	47c.
1916..	42c.
1918..	58c.
1920..	80c.
1921..	73c.
1922..	58.5
1923..	58.5
1924..	58.5
1925..	58.5

5. Rail rates on wheat from Saskatoon, Sask. to Fort William and Port Arthur:

	Cents per 100 lbs.
1913..	22c.
1916..	22
1918..	28
1920..	38
1921..	36.5
1922..	24
1923..	24
1924..	24
1925..	24

6. Water rates on wheat from Fort Filliam to Montreal:

	Cents per Bu.
1913..	5.4c.
1916..	7.6
1918..	11.4
1920..	11.6
1921..	10.9
1922..	10.6
1923..	10.9
1924..	8.99
1925..	9.03

PORT MAITLAND PIER

Mr. SENN:

1. How much money has been spent in the erection of the east pier under construction at Port Maitland?
2. What length of pier is yet to be constructed?
3. What will be the cost of completing this work?

Hon. Mr. KING (Kootenay):

1. $178,185.94 paid to March 1, 1926, for the repairs to the east pier, under execution by contract.

2. The new spur pier, which is to be 665 feet long, has not yet been completed, but all the cribs are in place.

3. Approximately $18,000.

ST. BONIFACE POST OFFICE

Mr. DOUCET:

1. Are the post offices in the city of St. Boniface, Manitoba, sub-stations of the Winnipeg post office?
2. If so, why did the St. Boniface post office lose its autonomy?
3. Is the Post Office Department aware that a letter mailed in one of the St. Boniface mail boxes has, under the present arrangement, to go to Winnipeg and be sent back to St. Boniface for distribution?
4. Are the mail carriers in the city of St. Boniface under the authorities of the postmasters of Norwood Grove and St. Boniface, according to the ground which they cover, or do they receive their instructions from the Winnipeg postmaster, or any other official in the Winnipeg post office?
5. If the St. Boniface post offices are not now sub-stations of Winnipeg post office, is it the intention of the Post Office Department to place them under the authority of the Winnipeg post office?
6. Is it the intention of the government to appoint a man able to speak English and French to the vacant position of postmaster in the St. Boniface post office?
7. Has any member of the government or the department received any communication or communications from L'Association d'Education des Canadiens-Français du Manitoba, or from the Winnipeg postmaster or any other persons concerning all or some of the foregoing matters?
8. If so, will the government give the names of the parties between which correspondence has been exchanged?

Hon. Mr. LAPOINTE:

1. No.
2. Answered by No. 1.
3. Yes.
4. The city of St. Boniface is not large enough for self contained letter carrier delivery service, and has been given the privilege of this service only because it is attached to the Winnipeg organization from a letter carrier delivery point of view. This arrangement gives St. Boniface the advantage of the 2c. postal rate within the whole of the Winnipeg postal area. Otherwise the 3c. rate would apply from St. Boniface to Winnipeg and vice versa.
5. See No. 1. In view of representations made to retain St. Boniface on its present basis it is not the intention of the department to interfere with its present status, thus permitting retention of 2 cent rate mentioned in No. 4.
6. It is the intention of the department to recommend to the Civil Service Commission that the man appointed to the postmastership

at St. Boniface shall be conversant with both the English and the French languages.

7. Yes.

8. Yes.

PUBLIC WORKS DEPARTMENT—PURCHASE OF DESKS AND TABLES

Mr. MacDOUGALL:

1. Has the Department of Public Works purchased a quantity of desks and tables?

2. Were tenders asked for?

3. If so, how many tenders were received, and what were the names and amounts in each case?

4. To whom were the contracts given and at what price in each case?

Hon. Mr. KING (Kootenay):

1. Yes, in February, 1926.

2. Yes.

3. Desks, seven tenders as follows: Ottawa Typewriter Co. Ltd., Ottawa, $31.75 each, f.o.b. Ottawa, R. A. Sproule & Son, Ottawa, $31.95 each, f.o.b. Ottawa; Office Specialty Mfg. Co. Ltd., Ottawa, $33.20 each, f.o.b. Ottawa; Globe-Wernicke, Ltd., Stratford, $33.90 each, f.o.b. Stratford; Canada Furniture Mfg. Co. Ltd., Woodstock, $35.90 each f.o.b. Ottawa; Interior Hardwood Co. Ltd., Kitchener, $37.00 each. f.o.b. Ottawa; Snyders Limited, Waterloo, $37.00 each f.o.b. Ottawa.

Tables, 60-inch seven tenders as follows: R. A. Sproule & Son, Ottawa, $9.95 each, f.o.b. Ottawa; Ottawa Typewriter Co. Ltd, $10.15 each, f.o.b. Ottawa; T. Eaton Co. Ltd., Toronto, $11.00 each, f.o.b. Ottawa; Snyders Limited, Waterloo, $12.50 each, f.o.b. Ottawa; Office Specialty Mfg. Co. Ltd., Ottawa, $13.00 each, f.o.b. Ottawa; Strathroy Furniture Co. Ltd., Strathroy, $15.00 each, f.o.b. Ottawa; Interior Hardwood Co. Ltd., Kitchener, $15.50 each, f.o.b. Ottawa.

Tables, 48-inch, seven tenders as follows: Ottawa Typewriter Co. Ltd., Ottawa, $8.10 each, f.o.b. Ottawa; R. A. Sproule & Son, Ottawa, $8.25 each, f.o.b. Ottawa; T. Eaton Co. Ltd., Toronto, $9.00 each, f.o.b. Ottawa; Snyders Limited, Waterloo, $11.50 each, f.o.b. Ottawa; Interior Hardwood Co. Ltd., Kitchener, $12.00 each, f.o.b. Ottawa; Office Specialty Mfg. Co. Ltd., Ottawa; $12.00 f.o.b. Ottawa; Strathroy Furniture Co. Ltd., Strathroy, $12.50 each, f.o.b. Ottawa.

4. Desks, Ottawa Typewriter Co. Ltd., $31.75 each, f.o.b. Ottawa; Table, 60-inch., R. A. Sproule & Son, $9.95 each, f.o.b. Ottawa; Tables, 48-inch, Ottawa Typewriter Co. Ltd., $8.10 each, f.o.b. Ottawa.

STEAM FERRY BETWEEN CHATHAM AND DOUGLASTOWN

Mr. FISH:

1. Has any one applied for a subsidy for a new steam ferry plying across the Miramichi river between Chatham and Douglastown?

2. If so, has such an application been granted?

3. What amount of subsidy has been promised?

4. Has application been made to any department of the government for approval of the said ferry boat under any existing legislation?

Hon. Mr. LAPOINTE:

1. No.

Nos. 2, 3 and 4 answered by No. 1.

CANADIAN NATIONAL RAILWAYS—TIES

Mr. DONNELLY:

1. Was there a contract for the supply of railway ties between Hon. J. K. Fleming and the Canadian National Railways during the years 1923, 1924 and 1925?

2. Is there a similar contract between these parties for the year 1926?

3. What are the amounts of such contracts (a) in number of ties; (b) price?

Hon. Mr. ROBB:

1. 1923. No. In 1924 and 1925 contracts were entered into with Messrs. Fleming & Gibson Limited, of Juniper, N.B.

2. Yes.

3. (a) 1924—150,000 ties.
1925—125,000 ties.
1926— 75,000 ties.

(b) Not in public interest to give information of this character.

AUSTRALIAN TREATY

Mr. STEWART (Leeds):

1. Is it the intention of the government to apply the provisions of the customs tariff with respect to dumping, to imports of butter and other agricultural products coming into Canada under the provisions of the Australian treaty, and in respect of which a bonus or bounty or other contribution is made in Australia and New Zealand?

2. If so, how will such provisions be made applicable?

3. By what amount will the duty of one per cent per pound on butter be increased by the application of such dumping duty?

4. By what amount will the duty on other agricultural products from Australia and New Zealand be increased by the application of such dumping duty?

Hon. Mr. BOIVIN:

1. They will be applied if the selling price in Canada is more than 5% less than the fair market value for home consumption of the same products.

2. As provided by law and regulations.

3. By the difference in the selling price in Canada and the fair market value as sold for home consumption, providing it does not exceed 15% of the established fair market value.

4. Answered by No. 3.

ROYAL CANADIAN AIR FORCE—MANITOBA

Mr. SIMPSON:

1. How many hours of flying by the Royal Canadian Air Force in the province of Manitoba were required

to fulfil the requirements of the department in charge of forestry work, in connection with detection, suppression, sketching and photography, in 1925?

2. What was the operating cost per flying hour of this operation?

3. What was the total cost per flying hour for this operation, including overhead charges?

4. What was the total cost of the flying done in the province of Manitoba?

5. How many machines were required to do the flying for this operation, and of what types?

6. How many hours of flying, in the province of British Columbia, in connection with the civil operations, were performed by the Royal Canadian Air Force?

7. How many hours of flying, in connection with forestry work, including fire patrol, were done in the province of British Columbia in 1925, and what was (a) the operating cost per flying hour; (b) the total cost per flying hour, including the overhead; (c) the total cost of flying, including the overhead, for the province of British Columbia?

8. What was the cost of flying operations, purpose of flights, photographic operations, in western Ontario during the season of 1925?

9. What was the total number of hours which may be applied to the civil operations of the Royal Canadian Air Force as performed in the Dominion of Canada, and what was the cost per operating hour and the total cost per flying hour, including overhead?

Hon. Mr. MACDONALD (Antigonish-Guysborough):

1. Total flying time for Forestry branch in the Manitoba area in 1925 was 861 hours 25 minutes.

2, 3, 4. The total cost including capital charges for new aircraft, etc. of maintaining R.C.A.F. units in Manitoba for the financial year 1925-26 up to January 31, was $324,528.-46. The flying time for the same period was 1,485 hours 30 minutes. On this basis, the cost per flying hour was $218.46.

5. There were employed on civil operations in Manitoba, 9 Avro seaplanes and 7 Vickers Viking amphibians.

6. 353 hours 27 minutes.

7. Total hours flying (forestry work)—11 hours 55 minutes. Operating cost per hour: —Total cost of maintaining R.C.A.F. unit at Vancouver for the financial year 1925-26 up to January 31, was $98,554.70. Total flying time for the unit was 529 hours 52 minutes. On this basis the cost per flying hour was $185.95.

8. 222 hours flying was done in western Ontario and eastern Manitoba in connection with the mapping programme of the Topographical Survey of Canada in conjunction with the forestry work in the province of Manitoba. During this period, approximately 20,000 square miles were photographed. It is difficult to state exactly the flying time on either side of the boundary but the area photographed in western Ontario was 14,125 square miles. The cost of these operations is shown above (see answers to 2, 3 and 4).

9. Out of a total flying time of 4,922 hours for all services, civil operations for other government departments required 3,319 hours 31 minutes. The expenditure on air services in Canada for the financial year 1925-26, up to January 31, was $1,627,735.63. As the civil operations were carried out as part of the R.C.A.F. training, it is not possible to state how much of this amount was devoted to civil operations and how much to military training.

POTATO COMBINE IN NEW BRUNSWICK

Mr. ROBICHAUD:

In connection with the investigation under the Combines Investigation Act into the combine limiting competition, in the marketing of potatoes in New Brunswick, what action has been taken as a result of the finding of the registrar that the combine of shippers was operating to the detriment of the producers?

Hon. Mr. KING (Kootenay):

The report, as provided for by the act, has been widely distributed, particularly in the Maritime provinces, and has received extensive publicity.

The Combines Investigation Act provides for the remission of such reports, together with the evidence and other returns in connection with the inquiry, to the attorney general of the province concerned, "for such action as such attorney general may be pleased to institute because of the conditions appearing". Reference of the case was accordingly made, on June 11, 1925, to the then attorney general of the province of New Brunswick; and, later, on September 15, 1925, to the present attorney general, immediately following the assumption of office of the present provincial administration.

MANUFACTURE OF PAPER IN AUSTRALIA

Mr. ANDERSON (Halton):

1. Has the government of Australia given a bonus on paper manufactured in that country?

2. If so, how much was granted per ton?

3. When did such bonus order come into effect?

Right Hon. Mr. MACKENZIE KING:

This question asks for information that, I think, is as open to the hon. member himself as it is to the government. I think questions of this character can hardly be answerable by the ministry.

QUESTIONS PASSED AS ORDERS FOR RETURNS

OUT-TURNS OF OVERAGES

Mr. CARMICHAEL:

1. What are the out-turns of overages in weights and grades for the year 1924-25 for the Reliance Terminal Elevator Company at Fort William?

2. What are the out-turns of overages in weights and grades for the year 1924-25 for the Northland Terminal Elevator Company at Fort William?

3. What are the out-turns of overages in weights and grades for the year 1924-25 for the government Elevator at Fort William?

4. What are the out-turns of overages in weights and grades for the year 1924-25 for the government elevator at Saskatoon?

5. What are the out-turns of overages in weights and grades for the year 1924-25 for the government elevator at Vancouver, British Columbia?

Hon. Mr. ROBB: I now table the return.

EQUALIZATION OF FREIGHT RATES EAST AND WEST

Hon. Mr. STEVENS:

Having reference to Order in Council P.C. No. 886, dated June 5, 1925, instructing the Board of Railway Commissioners to consider the problem of equalization of freight rates east and west.

1. What steps have been taken to give effect to this Order in Council?

2. Have any public hearings been held by the Board of Railway Commissioners?

3. If so, where and on what dates?

4. When may a decision be expected, and what steps have the government taken to expedite the hearing of the case and the reaching of a decision?

Hon. Mr. ROBB: I now table the return.

MULTIGRAPH MACHINES IN DEPARTMENTS

Mr. HOCKEN:

1. What is the total number of multigraph machines operated by the various departments?

2. What is the total number in each department?

3. What is the total number of impressions made by these machines, by departments?

4. What is the cost of operation of these machines?

5. Are these machines under the jurisdiction of the Department of Public Printing and Stationery, and subject to the censorship of the editorial committee?

6. Are multigraph operators classified as such and appointments made by the Civil Service Commission?

7. What is there classification and salary?

8. What departments, other than the Department of Public Printing and Stationery, if any, operate printing machinery?

9. For what purpose is said machinery used?

Hon. Mr. LAPOINTE: I now table the return.

DOMINION NOTE ISSUE

Mr. SPENCER:

1. What was the amount of Dominion notes advanced under the Finance Act, 1914 (with amendments) and outstanding at the end of March, June, September and December of each year from 1914 until the present time?

2. What were the amounts of securities accepted as a basis for the foregoing issues of Dominion notes, given for the same periods?

3. What were the different classes of securities and the various amounts of each accepted for rediscounting for the same periods?

Hon. Mr. ROBB: Tabled forthwith.

CANADIAN NATIONAL RAILWAYS—NEW YORK OFFICES

Mr. DOUCET:

Have the government or the National Railways an office, or offices, in the city of New York for the sale of tickets or for any other purpose? If so, where located, and what is the annual cost, including rent, taxes, insurance, salaries, etc., in connection therewith?

IMPORTATION AND EXPORTATION OF EGGS

Mr. McQUARRIE:

1. How many eggs were exported to the United States of America, Australia and China respectively, during 1924?

2. How many eggs were imported from the United States of America, Australia and China respectively, during 1924?

3. How many eggs were exported to the United States of America, Australia and China respectively, during 1925?

4. How many eggs were imported from the United States of America, Australia and China respectively, during 1925?

5. What were the exports and imports of eggs to and from the said several countries respectively during December 1925?

6. What are the tariff duties of Canada, United States of America, Australia and China respectively, on eggs?

Hon. Mr. ROBB: Tabled forthwith.

CANADIAN NATIONAL RAILWAYS—CAPITAL EXPENDITURE

Mr. NICHOLSON:

1. What has been the capital expenditure on each of the following parts of the Canadian National Railways during the years 1922, 1923, 1924 and 1925:—

(a) On that part formerly known as the Intercolonial Railway of Canada;

(b) On that part formerly known as the National Transcontinental Railway;

(c) On that part formerly known as the Grand Trunk Railway of Canada;

(d) On that part of the Grand Trunk Railway of Canada within United States territory;

(e) On that part formerly known as the Grand Trunk Pacific Railway;

(f) On that part formerly known as the Canadian Northern Railway including branches and subsidiaries in each case?

2. What has been the capital expenditure on the Canadian National Railways during the years 1922, 1923, 1924 and 1925 for—

(a) Permanent improvement to roadbed in replacement of temporary bridges or culverts with concrete, stone or steel;

(b) Ballasting and widening of permanent way, including fills made in replacing temporary bridges or trestles;

(c) Replacement of light by heavy rail, specifying the manner in which the charge against capital was made;

(d) Terminal facilities including, additional trackage, rundhouses, coal chutes, machine shops, station buildings, and freight sheds;

(e) Passing tracks, trackmen's houses, main line water tanks and services;

(f) Branch lines with mileage and location;

(g) Rolling stock, including locomotives, main line and switching, freight cars of all descriptions, ballast and service cars, snow plows, conductors' vans, passenger coaches, first and second class, tourist, dining, sleeping and parlor cars;

(h) Office buildings wherever located?

Hon. Mr. ROBB: Tabled forthwith.

IMMIGRATION OFFICES IN FOREIGN COUNTRIES

Mr. McGIBBON:

1. What immigration offices has the Canadian government in the following countries and where are they situated: United States; Great Britain; Denmark; Norway and Sweden, and Italy?
2. Have any been closed during the years 1922, 1923, 1924, 1925?
3. If so, what ones?
4. What has been the cost of each office?
5. How many immigrants during the same years have come to Canada from each office ?

IMMIGRATION OFFICES IN UNITED STATES

Mr. FOSTER:

1. How many immigration offices are maintained by the government in the United States?
2. What was the gross cost of each office for the year 1925?
3. What amount was spent by each office on fairs and exhibitions?
4. What is the total number of settlers secured by each office for the fiscal year ending March 31, 1925?
5. What is the cost per head of each settler from each office territory?

IMMIGRATION POLICY

Mr. CLARK:

1. On what date was the "comprehensive immigration plan" referred to in the Speech from the Throne put into operation?
2. How many settlers have been brought into Canada monthly thereunder, giving country of birth, and province of destination?

DEBT AND TAXATION

Mr. TUMMON:

1. What was the total net debt of the Dominion of Canada at the end of the fiscal year 1914?
2. What was the total net debt of the Dominion of Canada at the end of the fiscal year 1925?
3. What is the amount of the present debt of Canada that can be said to be attributable to the war?
4. What were the total amounts collected through each of the following, for the fiscal year ending March 31, 1925: (a) income tax; (b) sales tax; (c) corporation and company tax; (d) cables and telegraphs tax; (e) tax on railways and boat tickets; (f) tax on cheques, drafts, stocks transfers, bills, notes, receipts, etc.?

SALES TAX

Mr. RYCKMAN:

How many persons, firms and companies are in arrears in payment of the sales tax, and what is the amount of the arrears?

SEIZURES BY CUSTOMS OFFICERS

Mr. BARBER:

1. How many trucks and automobiles have been seized by officers of Customs and Excise, or other officers of the federal government at the ports of Huntingdon and Abbotsford, British Columbia, during the years 1921, 1922, 1923, 1924, 1925?
2. How were these cars disposed of?
3. What amount was realized in each case?
4. What was name realized making seizure?
5. What amount went to officer, in each case, making seizure?
6. What name appears as informant on seizure reports, in each case?

[Mr. Nicholson.]

7. What amount went to informant in each case?
8. What amount went to the department in each case?

COAL IMPORTS

Mr. MacDONALD (Cape Breton South):

1. What quantity of coal was imported into Canada during each of the calendar years 1921, 1922, 1923, 1924 and 1925 from the United States for the Canadian National Railways (a) exclusive of lines formerly known as the Grand Trunk Railway Company, and (b) including the said Grand Trunk Railway Company, and what quantity outside of the United States, and what quantity through Canadian ports and what quantity through United States ports?
2. What was the cost per ton of the said coal at the border?
3. What amount was paid for such coal (a) exclusive of that used by the lines formerly known as the Grand Trunk Railway Company, and (b) including the said Grand Trunk Railway Company?

CANADIAN NATIONAL RAILWAYS—PRINCE EDWARD ISLAND BRANCHES

Mr. MACDONALD (Kings):

1. What was the total amount of money received on account of freights, passenger traffic, mail and express carriage, and from all other sources within the province representing the internal business of the Prince Edward Island branches of the Canadian National Railways during the year ending December 31, 1925?
2. What was the total amount of money received in the several offices of the Canadian National Railways within the province of Prince Edward Island for all freight, passenger and other traffic from the mainland to points within the island for the year ending December 31, 1925?
3. What was the total tonnage of express, mail and other freights carried by the car ferry from the province outward to the mainland, and what was the total sum of money received therefor, during the year 1925?
4. What was the number of passagers travelling outward from the province of Prince Edward Island, including auto cars and special baggage or appliance, via the Canadian Northern Railways during the year 1925, and what were the total cash receipts from this traffic?
5. What was the total net cost of operating the car ferry Prince Edward, for the year 1925, and what proportion of said cost has been charged up to the Prince Edward Island branch of the government railway system?
6. What was the gross cost, per mile, of operating the Canadian National Railways, and, what the like cost of operating the Prince Edward Island branches of the railway system, per mile, for the year 1925?

CANAL SYSTEMS—REVENUES AND MAINTENANCE

Mr. MacLAREN:

1. What revenues have been derived from the canal systems of Canada since confederation giving the individual earnings of each canal?
2. What has been the outlay for maintenance in each year since confederation on each canal system?

HEALTH OF ANIMALS BRANCH

Mr. SUTHERLAND (South Oxford):

1. What amount has been paid out under the heads of salaries bonuses and expenses to officials of the Department of Agriculture in each province, from the vote in the Estimates entitled, Health of Animals, for the years ending March 31, 1922, 1923, 1924 and 1925?

2. What is the total sum paid under these heads in each year mentioned?

3. What amount was paid out in compensation for animals slaughtered in each province during the years mentioned in question one for cattle, horses, sheep and hogs?

4. What amount was paid out of the vote entitled live stock, in salaries, bonuses and expenses of the officials of the Department of Agriculture, in each province, in each of the years 1922, 1923, 1924 and 1925?

REVENUE FROM PROVINCES

Mr. CHURCH:

1. What is the total revenue of the government from all sources for the last year of record?

2. What portion of this cash revenue is contributed by each one of the nine provinces, and what are the respective amounts from each province?

CANADIAN GOVERNMENT MERCHANT MARINE —COST AND SALES

Hon. Mr. EDWARDS (Frontenac):

1. How many vessels still comprise what is known as the Canadian Government Merchant Marine and what is the name and tonnage of each?

2. When and where were the vessels of the Canadian Government Merchant Marine constructed and at what cost?

3. What are the names and tonnage of the government merchant marine vessels disposed of and were they sold by tender or private sale, and to whom, at what price and on what terms of payment?

4. What was the cost of each of the vessels referred to in question No. 3?

5. What has been the annual revenue from and the annual cost of maintenance of each of the vessels of the Canadian Government Merchant Marine since construction to the end of the year 1925 or disposal of vessels?

SOLDIER SETTLEMENT LANDS

Mr. WARD:

1. What is the total amount of arrears on soldier settlement operations to December 31, 1925?

2. How many of the abandoned farms have been resold?

3. What was the total charges against these lands, including all costs?

4. What was the sale price by the board, when resold?

5. What was the sale price to the original settler, how many of these were crown lands, how many loans, and how many purchases?

6. What is the number of farms still unsold and the total charges outstanding against them, how many are crown lands, how many loans and how many purchases?

7. What number of abandoned farms were rented during the past year, what was the total charges against them, what was the net return received by the board as rent, and what per cent rate does this show on the board's total investment therein?

8. How many soldier settlers are in arrears in whole or part as of 31st of December, 1925, and how many of these are married?

9. How many have abandoned their holdings as of December 31, 1925, and how many abandoned their farms during the calendar years 1919, 1920, 1921, 1922, 1923, 1924 and 1925?

10. How many of those in arrears are settlers on homesteads or soldier grants, and what is the arrears?

11. How many of those in arrears are settlers on land owned by themselves on which the board made loans for development work, and what is the arrears?

12. How many of those in arrears are settlers on land purchased for them by the board and what is the arrears?

13. How many of those farms abandoned were homesteads or soldier grants and what is the total charges against them?

14. How many of those abandoned are lands owned by the settler and mortgaged to the board, and what is the total charges against them?

15. How many of those abandoned are lands purchased by the board for settlers and what is the total charges against them?

16. How many of those paid in full are settlers on homesteads or soldier grants and what is the amount paid by them?

17. How many of those paid in full are on lands privately owned and mortgaged to the board and what is the amount paid by them?

18. How many of those paid in full are on lands purchased by the board for settlers and what is the amount paid by them?

19. How many abandoned farms have been disposed of to British settlers under the land settlement scheme, what was the price paid by these settlers, what was the original sale price paid by these settlers, what was the original sale price of these lands to the soldier settlers, what was the total liability of the board in these lands at the time of sale to British settlers?

PRINCE RUPERT ELEVATOR

Mr. ESLING:

1. Has the Prince Rupert elevator been completed?

2. If so, when?

3. What is the total cost?

4. Is the elevator now being operated?

5. How many bushels of grain have been received at this elevator?

6. How many bushels of grain have been shipped out of the said elevator?

7. What are the charges, in detail, connected with the handling of grain in said elevator?

8. How many persons are employed in said elevator?

9. What are the names, salaries and duties of such employees, respectively?

10. Who recomended the said employees, respectively, for appointment?

Hon. Mr. ROBB: I now table the return.

UNOPPOSED MOTIONS FOR PAPERS

REPORT OF R. P. CLERK

Hon. Mr. STEVENS:

For a copy of the report of R. P. Clerk, inspector of customs at Montreal, dated May 7, 1925, together with all charges, reports of dereliction of duty on the part of customs officials, and correspondence having reference thereto.

BARGE TREMBLAY

Hon. Mr. STEVENS:

For a copy of all officials records, documents, letters, telegrams, tenders and other correspondence in connection with the sale of 16,000 gallons (more or less) of alcohol, seized on board the barge "Tremblay" during 1925, including copies of warehouse receipts, if any, and information showing by whose order the said alcohol was sold and delivered to purchasers. Also a statement showing what goods were seized from said barge and the value, disposition and terms of disposition of same, with dates in all instances.

JOHN W. GAUNT AND COMPANY, MONTREAL

Hon. Mr. STEVENS:

For a return showing all records, documents and correspondence in connection with the seizure of goods in the name of John W. Gaunt & Company of

Montreal, including all details of the settlement effected, including copies of certified invoices from Holland and affidavits that Holland was the origin of the said invoices. Also copy of the report of the expert accountants who investigated the case, computing or setting forth the amount of the underpaid duties. Also all correspondence with the Hon. J. A. P. Cardin or memoranda made by, for or given to him in connection with the settlement effected in this case.

J. A. DuCONDU—CORRESPONDENCE

Hon. Mr. STEVENS:

For a copy of all correspondence received by the Minister of Customs, Minister of Justice or any deputy minister or official of the Departments of Customs or Justice from J. A. DuCondu in reference to irregularities in the administration of customs at the port of Montreal, and of replies thereto.

SOLDIER SETTLEMENT BOARD—GEORGE E. DAVIS CASE

Hon. Mr. STEVENS:

For a copy of all documents, assignments, leases, records, letters, telegrams, quit claim deeds and other correspondence in connection with the case of Mrs. Davis, widow of the late George E. Davis of Huntingdon, British Columbia, a soldier settler under the Soldier Settlement Board.

CANADIAN COASTAL REGULATIONS

Mr. BOYS (For Mr. Hocken):

For a copy of all applications made to the Dominion government or any department thereof since January 1, 1912, asking for a suspension of the Canadian coasting regulations on the Great Lakes, and for a copy of all correspondence between any member of the government or any of its officials, and any other person, in reference to the same matter.

CANADIAN NATIONAL RAILWAYS—TORONTO BUILDING

Mr. BOYS (For Mr. Church):

For a copy of all agreements, orders in council, correspondence, telegrams, contracts and other documents between the government or the Canadian National Railways and any other person or persons or firms or corporations regarding the sale of lands and erection of a skyscraper on the northwest corner of King and Yonge streets, Toronto.

MR. LOUIS GAUTHIER

Mr. DOUCET:

For a copy of all correspondence passing between the Post Office Department or others with reference to the resignation of Mr. Louis Gauthier, postmaster at Miscou Centre, county of Gloucester, New Brunswick.

UNEMPLOYMENT RELIEF TO PENSIONERS

Mr. KENNEDY (Winnipeg South Centre):

For a copy of all orders in council, regulations, letters, telegrams, or other communications relating in any way to the discontinuance by the Department of Soldiers' Civil Re-establishment of unemployment relief to pensioners of the Great War who are classed as of less than 20 per cent pensionable disability.

APPOINTMENTS TO AUDITOR GENERAL'S OFFICE

Sir HENRY DRAYTON:

For a return showing what appointments, if any, have been made by authority of the vote to the Auditor General's Office under contingencies, set out at page 71 of the estimates for the year ending March 31, 1926, reading as follows,—

"Extra help including expert assistance in connection with reorganization and systematization of the office of the Auditor General. Appointments for this purpose and increases of salary to be made without reference to and notwithstanding the provisions of the Civil Service Act, $10,000."

SMELT FISHING IN BUCTOUCHE BAY, N.B.

Mr. DOUCET:

For a copy of all correspondence, telegrams, petitions, etc., and other documents between the Department of Marine and Fisheries, the Inspector of Fisheries, and other individuals in connection with the fishing of smelt by the means of boxnets in the waters of Buctouche Bay, N.B.

CUSTOMS INSPECTOR MUNN'S REPORT

Hon. Mr. STEVENS:

For a copy of all reports made by Customs Inspector Munn of the British Columbia Inspection Division regarding A. C. Salt and W. L. Blatchford, Customs Officers at Huntingdon, British Columbia, and Abbotsford, British Columbia, including an affidavit made by H. J. Harding, the Chief of Police of the Municipality of Chilliwack, British Columbia, setting forth the details of a cheque for $100 given by said Blatchford to the said Harding, also to the sum of $201.25 in cash handed to him by the said Blatchford; together with copy of the receipt dated December 14, 1921, given by the said Harding to said Customs Officer Blatchford.

CUSTOMS ADMINISTRATION IN BRITISH COLUMBIA

Hon. Mr. STEVENS:

For a copy of all letters, telegrams, affidavits, reports and all other documents passing between W. J. Fraser, Huntingdon, British Columbia, and the Right Hon. W. L. Mackenzie King, and or the Chairman of the Board of Audit, and or the Hon. Jacques Bureau, and or any officer of the crown in the Department of Customs, the Department of Justice or the Department of Finance, regarding the administration of Customs at the Ports of Huntingdon and Abbotsford, British Columbia.

EXEMPTIONS FROM CIVIL SERVICE ACT

Mr. GARLAND (Bow River):

For a return showing a record of the total number of persons employed by each Department of the government service who were exempt from the operation of the Civil Service Act at the close of the twelve months ending March 31, 1925, either in whole or in part, with time of exemption and under the various authorites, such as:

(1) By statute,
(2) By Appropriation Act with year and number of vote,
(3) By order in council,
(4) Section 38 or 38 (b) Civil Service Act,
(5) Any other authority.

GOVERNMENT GRANTS TO RAILWAYS

Mr. GARLAND (Bow River):

For a return showing a statement of all grants of land, money, or other franchise in any form granted by the Canadian Government to (1) The Canadian Northern Railway or any of its subsidiaries, (2) The Grand Trunk Pacific Railway or any of its subsidiaries.

RAILWAY ASSETS TAKEN OVER BY GOVERNMENT

Mr. GARLAND (Bow River):

For a return showing a statement of all assets taken over by the Canadian Government and (or) the Canadian National Railways from (1) The Canadian Northern Railway or any of its subsidiaries, (2) The Grand Trunk Pacific Railway or any of its subsidiaries, including (a) land; (b) steamers; (c) hotels; (d) town sites; (e) industries; (f) traction systems; (g) any other property.

DEVELOPMENT OF HYDRO-ELECTRIC POWER ON ST. LAWRENCE

Mr. STEWART (Leeds):

For a copy of all correspondence, letters, telegrams, recommendations, communications and other documents passing between the government of the Province of Ontario, or the Hydro-Electric Power Commission of Ontario, and the government of Canada, or the Joint International Waterways Commission, or any committee thereof, in connection with the development of Hydro-electric power on the St. Lawrence river, during the year 1925.

MR. GEORGE P. MACKENZIE

Mr. BOYS (for Mr. Black, Yukon):

For a copy of all documents, correspondence, telegrams, orders in council, and other papers relating to the creation of the position of exploration and development officer, Canadian Arctic, and the transfer thereto of Mr. George P. MacKenzie, former gold commissioner for Yukon.

INTERIOR DEPARTMENT OFFICIALS—TAX EXEMPTIONS 1923-24

Mr. BOYS (for Mr. Black, Yukon):

For a copy of all correspondence and papers in relation to the exemption from income tax of sums paid by the government to any official or officials in the employ of the Department of the Interior for 1923 and 1924

PACIFIC CABLE BOARD

Sir GEORGE PERLEY:

For a copy of all correspondence, letters, telegrams and other communications subsequent to March 31, 1924, between the Postmaster General or any of the officials of his department and the Pacific Cable Board or its president or secretary and also between the Postmaster General or any of the officials of his department and the High Commissioner for Canada or Mr. Lucien Pacaud or Sir Campbell Stuart, in regard to the suggested duplication of the cable between Bamfield and Fanning Island.

AUSTRALIAN COMMONWEALTH—BUTTER BONUS

Mr. BOYS (for Mr. Sutherland, South Oxford):

For a copy of all correspondence, letters, telegrams and other documents exchanged between the Canadian government or any department thereof or the Canadian Trade Commissioner and the Australian government, relating in any way to the reported payment of a bonus of six cents per pound by the Inter-State Stabilization Committee of Australia on all butter exported from the Commonwealth of Australia, under what is termed the Patterson Scheme.

CHATHAM—NEW STEAM FERRY BOAT

Mr. FISH:

For a copy of all correspondence, orders in council and other documents exchanged between the Department of Marine and Fisheries, the Department of Public Works or the Department of Trade and Commerce or any other department of the government or any person, firm or corporation in the county of Northumberland, New Brunswick, respecting a new steam ferry boat built at Chatham, New Brunswick, in the year 1925, and with respect to approval thereof and in respect to an application for a subsidy therefor.

MR. ECCLES J. GOTT

Mr. CASGRAIN (for Mr. Vallance):

For a copy of all papers, reports letters, telegrams and other documents of every nature and description relative to the appointment of Mr. Eccles J. Gott as an official of the Department of Immigration in the years 1914, 1915, 1916, 1917, and relative to the dismissal of said Mr. Eccles J. Gott from said appointment and the reasons and evidence and other documents relative thereto.

PROTECTION WORKS AT BLAIRMORE, ALTA.

Mr. COOTE:

For a return showing all payments made by the Dominion Government from July 1, 1923, to November 30, 1925, to individuals, firms, corporations or superintendents, engaged in any capacity in connection with the dredging, excavating or erection of protection works on the Old Man river at Blairmore, Alberta, and through whom such payments were made.

SALARIES OF SESSIONAL EMPLOYEES

Mr. MAYBEE:

For a return giving the names of the sessional employees of the House of Commons staff, and showing their respective salaries, occupations and date of appointment.

CORRESPONDENCE RE DOMINION RAILWAY LANDS

Hon. Mr. STEVENS (for Mr. Clark):

For a copy of all correspondence, letters, telegrams and other documents passing between the Government of the province of British Columbia, or any Minister or any officer thereof and the Prime Minister, or any other Minister of the Crown or any officer of the Government since December 6, 1921, and relating to the Dominion Railway belt and lands in the Peace River district in British Columbia, held by the Dominion of Canada, in trust, under the terms of union between the Dominion of Canada and British Columbia.

DISMISSAL OF MR. ALEX. D. KING

Mr. SMITH:

For a copy of all letters, telegrams, reports, or other documents passing between the Postmaster General or any Officers of his Department and the District Post Office Inspectors of Nova Scotia, or any and all of the travelling or special Inspectors during the years 1924, 1925, and 1926 to date, having regard to the dismissal or retirement of Mr. Alex. D. King, Postmaster of Oxford, County of Cumberland, Nova Scotia.

EXPENDITURES IN VANCOUVER HARBOUR

Hon. Mr. STEVENS:

For a copy of all Orders in Council passed during the years 1922, 1923, 1924, 1925 and to date in 1926, authorizing the Vancouver Harbour Board to expend moneys out of votes of appropriation authorizing expenditure in the harbour of Vancouver, also a statement showing the expenditure authorized to date out of each vote of appropriation, also a statement showing moneys actually paid out, also a statement showing what properties have been purchased and the amount paid in each case either in cash, bonds or other obligations.

IMPERIAL PENSIONS IN CANADA

Mr. STEWART (Leeds):

For a copy of all correspondence, telegrams, memoranda, communications, orders in council, reports of auditors or other documents relating in any way to the intention of the British Ministry of Pensions to take over from the Canadian government or any department thereof the administration of imperial pensions in Canada and the United States of America or relating in any way to any claims of the British government or the British Ministry of Pensions for alleged excessive charges by or overpayments to the Dominion of Canada or any department of the government thereof or to any persons, firms or corporations in connection with the administration of British pensions in Canada or the United States of America or for any services connected therewith.

DEVELOPMENT OF NATIVE IRON RESOURCES

Mr. NICHOLSON:

For a copy of all letters, telegrams or other documents between the honourable the Minister of the Interior, or any official of the Department of the Interior, and the honourable the Minister of Mines of the province of Ontario relating to or connected with the proposal of the government of Ontario for co-operation between the government of Canada and the government of Ontario in a plan to encourage the development of the native iron resources of the Dominion.

SHIPMENT OF WHISKEY FROM WALKERVILLE

Mr. BOYS (for Mr. Hocken):

For a copy of all correspondence and other documents relating to a shipment of whisky from Walkerville, Ontario, to one Watson, Ensenada, Mexico, and the cancellation of the bond given in connection therewith.

ADAMSVILLE POST OFFICE

Mr. DOUCET:

For a copy of all correspondence exchanged between the postmaster at Adamsville in the county of Kent, New Brunswick, the Post Office Department and the Divisional Superintendent with respect to the removal of the office from its former location to its present location on the outskirts of the village.

TELEPHONE LINES IN CHICOUTIMI-SAGUENAY

Mr. DOUCET:

For a copy of all correspondence exchanged between the government, the Department of Public Works and La Compagnie Co-operative Téléphonique des Comtés de St.-Jean-Chicoutimi, since May 24, 1923, with reference to the lease or sale of the telephone lines between Chicoutimi and St.-Ambroise and St.-Ambroise and Peribonka in the constituency of Chicoutimi-Saguenay, Quebec.

[Mr. Smith.]

MR. TIBURCE MALLET

Mr. DOUCET:

For a copy of all correspondence passed between the Department of Marine and Fisheries and other parties in relation to salvage services rendered by Mr. Tiburce Mallet, of St. Mary, Island Shippigan, New Brunswick?

MR. G. S. HARRINGTON

Mr. McPHEE:

For a copy of all correspondence, telegrams and other documents exchanged between Honourable G. S. Harrington, now of Halifax, Nova Scotia, and any department of the government or of the House of Commons relative to a claim of said Honourable G. S. Harrington for special fees and allowances for appearing as a witness before a committee of the House of Commons or of the Senate.

CANE MANUFACTURING COMPANY, LIMITED

Mr. LENNOX:

For a copy of all correspondence, letters, telegrams and other documents relating to the Cane Manufacturing Company, Limited, of Newmarket, in connection with the duty on lead pencils.

IMPORT OF SPIRITUOUS LIQUORS

Hon. Mr. MANION:

For a copy of all letters, orders in council, or other documents between the government and the British Trade Commissioner, the Industrial Alcohol Company, or any other parties, dealing with restrictions on the import of spirituous liquors into Canada before such liquors are aged for a certain time.

THE PICTONIAN

Mr. SPENCE (Maple Creek):

For a copy of all correspondence, telegrams, letters and other documents in the possession of the government relative to the seizure and confiscation of the vessel Pictonian by the United States government together with a copy of the vessels register crew list, manifest and clearance papers on the last voyage of the said vessel.

I. WILSON STAND

Mr. FISH:

For a copy of all correspondence exchanged between the Department of Marine and Fisheries and others with reference to a salmon fishing stand near Derby Junction on the southwest branch of the Miramichi in the county of Northumberland, New Brunswick, and known as the I. Wilson Stand.

REPORT OF LIEUTENANT-COLONEL H. A. MACHIN

Mr. DOUCET:

For a copy of the report made by Lt.-Col. H. A. Machin to the Minister of Justice, in connection with the trouble which occurred in Quebec at the beginning of April, 1918.

OIL INDUSTRY INVESTIGATION

Mr. Boys, for Mr. Armstrong (Lambton), moved:

For a copy of all papers, letters, telegrams, memoranda, correspondence, reports and other documents with reference to an investigation into the oil industry

at Petrolia, Ontario, and Oil Springs, Ontario, made by Mr. Russell of the Finance department in the year 1924.

Hon. Mr. ROBB: I do not rise to offer any objection to this motion but I would point out to the House the attitude taken by a previous Minister of Finance under similar circumstances, an attitude which I consider sound. I have before me a memorandum to the effect that in the session of 1912 Mr. Maclean, then member for Halifax, having moved for certain correspondence in regard to cement was informed by Mr. White, afterwards Sir Thomas White, at that time Minister of Finance, that it was not customary for the department to give information that might be regarded as confidential. In that connection Sir Thomas White said:

In connection with this, I might say that I am advised by the Customs department that it regards as confidential any letters or correspondence from business firms relating particularly to their own business, and dealing with such matters as, for instance, cost of production. I think I should be able reasonably to satisfy my hon. friend from the public file, but I would like to ask him if he desires correspondence that might be reasonably regarded as confidential, on the ground that I have mentioned. I am told that in the department it has been customary not to give out such reports.

I offer no objection to the present motion provided it is understood that reports that may be considered confidential will not be tabled.

Motion agreed to.

CHICAGO DRAINAGE CANAL

Mr. BOYS (for Mr. Church), moved:

For a copy of all correspondence, letters, telegrams, reports and orders in council, relating to the diversion of the waters of the Great Lakes by the Chicago drainage canal, including all communications with the government of Great Britain, the British ambassador at Washington, D.C., and the government of the United States.

Hon. Mr. STEWART: Practically all the documents that have passed between the governments are down, having been produced for the most part last session. Some which were not brought down last session have been tabled at this session, the single exception being in the case of such documents as we have not received the permission of the United States government to table. They are only one or two recent despatches.

Mr. SPEAKER: Carried.

Mr. STEWART (Edmonton): I am pointing out, Mr. Speaker, that the documents are all down with the exception of those for the tabling of which we have not received the permission of the United States government.

Mr. SPEAKER: Stand.

RAILWAY EMPLOYEES AT MONT-JOLI

Mr. DOUCET moved:

For a copy of all correspondence, telegrams and other documents exchanged between railway employees of Mont-Joli, Quebec. and the Department of Railways.

Hon. Mr. ROBB: My hon. friend has only to read his own motion to observe that it involves a great deal of work that is quite unnecessary. I do not know whether he wants to go back to the date when the charter was asked for, or how far back he would go in placing a limitation on the extent of the correspondence he desires.

Mr. DOUCET: I shall be glad to confer with the Acting Minister of Railways with a view to limiting the time in relation to the correspondence to be brought down.

Mr. ROBB: In the meantime let it stand.

Mr. SPEAKER: Stand.

CUSTOMS PREVENTIVE SERVICE

Hon. Mr. STEVENS moved:

For a copy of all correspondence between the Prime Minister and any and all other persons during the year 1925, having reference to the prevention of smuggling.

Hon. Mr. BOIVIN: If I may be allowed a word with the unanimous consent of the House, I would make an appeal to the hon. member for Vancouver Centre (Mr. Stevens) in regard to a few of the motions which he placed on the order paper long before the appointment of the committee now investigating the administration of the Department of Customs and Excise. As the hon. member knows, the original documents have been produced before the committee and it will be absolutely impossible for the officials of the government to copy them. I would ask the hon. member if he would not be disposed to drop those motions in regard to which the original papers have already been produced before the committee. As regards the other motions, they will of course carry without objection on my part.

Mr. STEVENS: It is of course out of order to discuss motions of this kind, but having gone carefully through the list I may say that there are one or two which I am prepared to drop. As to the other motions, there is no reason why the documents should not be brought down. In the case of the motion we are now discussing I understand

that copies of the correspondence have been made, so that they can be tabled; and in connection with most of these motions copies are available. I know that of my own knowledge. There is therefore no reason why they should not be tabled. The first motion is one of importance and the correspondence is not voluminous.

Mr. MACKENZIE KING: As the motion relates to correspondence between the Prime Minister and "all other persons," I might remind my hon. friend that both the originals and the copies are now before the committee. I will have to get back the originals from the committee and supply the committee with further copies. They have all the correspondence at the present time.

Mr. STEVENS: That is just what I have pointed out already. There are two sets. A couple of stenographers could make the copies in an hour or two.

Mr. MACKENZIE KING: If my hon. friend wishes to have additional copies to those already produced to his committee, there is not the slightest objection to complying with his request. It is only a matter of extra work.

Mr. STEVENS: That is all.

Motion agreed to.

CUSTOMS SEIZURES AT ROCK ISLAND, QUEBEC

Hon. Mr. STEVENS:

For a copy of all official records, documents, letters and telegrams in connection with and having reference to all seizures made at Rock Island, Quebec, during the year 1924, giving the names of the persons involved and the value and the amounts of the seizures, together with all particulars of the settlements effected in each case.

Mr. STEVENS: Dropped.

CUSTOMS SERVICE MONTREAL—DUNCAN REPORT

Hon. Mr. STEVENS moved:

For a copy of report of Walter Duncan on the administration of the customs service at the port of Montreal, made during the month of December, 1925, together with a copy of all testimony and documents in evidence received by the said Mr. Duncan, also interim report covering eleven definite charges of irregularities including perjury, forgery, theft and other offences committed by one Bisaillon, and also charges implicating other officers of the crown in serious offences, inefficiency and dereliction of duty.

Hon. Mr. BOIVIN: Mr. Speaker, I ask that this motion be transferred to the order Notices of Motion, so that it may be debated.

Mr. STEVENS: Mr. Speaker, I am prepared to meet the minister part way in this matter. I would suggest that the words:

Together with a copy of all testimony and documents in evidence received by the said Mr. Duncan,

be struck out. That is, the report should be produced, but not the evidence.

Mr. BOIVIN: Mr. Speaker, I merely ask something that is within the right of every member of this House. If a member desires to debate a motion for the production of papers he has the right to ask that it be transferred to the order "Notices of Motion". I have made this request, and do not want to break the rule by discussing it now.

Mr. STEVENS: I am not objecting. I do not know why the minister is getting excited. I withdraw my suggested amendment.

Mr. SPEAKER: Transferred as per agreement.

Mr. STEVENS: I have no objection at all.

MR. J. E. A. BISAILLON

Hon. Mr. STEVENS moved:

For a copy of all documents on file in the Department of Health, the Department of Customs and the Department of Justice, having reference to the activities of J. E. A. Bisaillon in connection with the enforcement of the Narcotic Drug Act, including the documents, charges, testimony, judge's summing up, in reference to the case of Rex vs. Lortie, St. George, et al.

Hon. Mr. BOIVIN: With regard to this motion, I make the same request as I did with respect to the preceding one—that it be transferred to the order Notices of Motion.

Mr. STEVENS: Mr. Speaker, with all due deference, I submit that this request of the minister's is most unusual, and is not fair. I should like to have your ruling, Sir, on the rule which is invoked by the minister. I confess I have not looked it up lately.

Mr. SPEAKER: In the case immediately preceding this there was unanimous consent to the minister's request. Unless there is unanimous consent here, the hon. Minister of Customs will have to give notice of motion.

Mr. BOIVIN: But, Mr. Speaker, all I ask is for permission to debate this motion. I want to give to the House the reasons why the motion should not be agreed to without amendment.

Mr. SPEAKER: I would remind the House that motions for production of papers are not debatable. If the hon. member who has put the motion on the order paper does not agree to its being transferred as requested by the

Minister of Customs, it would be better to allow it to stand.

Mr. BOIVIN: It may stand, Mr. Speaker, until the end of the session, but it will have to be debated before it is voted upon.

Mr. SPEAKER: Stands.

Mr. MEIGHEN: We have not agreed that it stand at all, Mr. Speaker. If the government want it defeated, let them defeat it. We are prepared now to press the motion.

Mr. LAPOINTE: Mr. Speaker, may I call your attention to rule 38 which provides:

All such notices when called shall be forthwith disposed of; but if on any such motion a debate be desired, it will be transferred by the clerk to the order of Notices of Motions.

Mr. MEIGHEN: What is meant by, "be desired"? That does not mean that a motion is to be transferred at the caprice of any member of the House.

Mr. LAPOINTE: The Minister of Customs said that he wanted the motion debated.

Mr. MEIGHEN: Very good. But to say that something is desired does not mean that merely because one member desires it he may transfer and postpone any motion. It means that the motion may be so treated if the House or if the hon. member making the motion desire it.

Mr. LAPOINTE: Do you mean that the majority must desire to debate any motion? Well, well.

Mr. STEVENS: Speaking to the point of order, Mr. Speaker, I think the invoking of rule 38 is a most unusual procedure and not at all in harmony with the rule as generally interpreted. The rule unquestionably is intended to apply to the circumstance where the member moving the motion wishes to debate it. If he desires that his motion for the production of papers shall be simply passed without debate, it is his option to place it under the other order with an asterisk attached—a course which in the seventeen sessions that I have been in the House has been followed without variation.

Mr. MANION: Mr. Speaker, on the point of order, may I direct your attention to the first part of rule 38, which says:

Notices of motion for the production of papers which the member asking for the same intends to move without discussion, shall be marked by him with an asterisk—

I take it therefore that the remainder of the rule refers to the mover of the motion, and unless he wishes it to be discussed it is not to be discussed.

An hon. MEMBER: Oh, no.

Mr. STEVENS: There is no question about that.

Mr. SPEAKER: Since rule 38 is invoked the request of the hon. Minister of Customs bears a different aspect. Rule 38 reads:

Notices of motion for the production of papers which the member asking for the same intends to move without discussion, shall be marked by him with an asterisk and shall be placed by the clerk on the order paper above "Notices of Motions," under the heading "Notices of Motions for the Production of Papers." All such notices when called shall be forthwith disposed of; but if on any such motion a debate be desired, it will be transferred by the clerk to the order of Notices of Motions.

The question is whether the expression, "be desired," refers to the individual member moving the motion, or whether it is to be interpreted as an order from the House.

Mr. MEIGHEN: Or as coming from the mover, referred to in the first part of the rule.

Mr. SPEAKER: In my humble judgment the same principle should apply here as under rule 37, section 4, dealing with questions, reading as follows:

If a question is of such a nature that in the opinion of the minister who is to furnish the reply, such reply should be in the form of a return, and the minister states that he has no objection to laying such return upon the table of the House, his statement shall, unless otherwise ordered by the House, be deemed an order of the House to that effect and the same shall be entered in the Votes and Proceedings as such.

The same principle applies in this case. It is therefore my ruling that the hon. Minister of Customs is entitled, under rule 38, to have this motion transferred as a debatable motion.

Mr. STEVENS: Do I understand, Mr. Speaker, your ruling to be that if an hon. member places a resolution under the order, Notices of Motions for Production of Papers without debate—

Mr. SPEAKER: With an asterisk.

Mr. STEVENS: —that it is competent for any other member to suggest that such resolution shall be transferred to another order under which it is quite possible he will have no opportunity of having his resolution passed at all? Let me point out, Mr. Speaker, before you actually give that ruling, that the very purpose of securing the production of papers would be defeated by that process. It would be competent for myself or any other member of the House to raise this question from time to time upon the motion for production of such papers as we might have a desire to delay, obstruct or prevent. The one outstanding rule of this House— and I think of all other parliaments similarly constituted—

has been that orders for the production of documents and papers shall be passed forthwith, and that the papers shall be produced with all reasonable expedition. I think, Mr. Speaker, that before any definite ruling is made upon this question, greater consideration should be given to it and a further opportunity for discussion of the point of order. In my estimation it would be a very, very serious precedent to establish.

Mr. SPEAKER: I do not find any reason for looking to precedent when the letter of the rule is so clear:

All such notices when called shall be forthwith disposed of; but if on any such motion a debate be desired, it will be transferred by the clerk to the order of Notices of Motions.

As it stands, the motion before the House is not debatable, but the House might decide by its vote that it should not be passed. The rule does not say "the minister of the crown" but we all know that these papers are sought from the crown, are in the possession of the crown and have to be tabled by the crown. This is the gist of my ruling. If a minister of the crown states that he would prefer to have such a motion made a debatable motion, I cannot do otherwise than grant the request.

Mr. MEIGHEN: Mr. Speaker, just to understand your ruling, inasmuch as you have used the expression "if a minister of the crown desires", may I ask if Your Honour holds that a minister of the crown in relation to a motion for the productons of papers has greater rights than an ordinary member of the House, or does your ruling apply to any member?

Mr. SPEAKER: I do not like to decide hypothetical cases; when cases arise I will pass on them. For the moment I refer the right hon. gentleman, who is an authority on parliamentary procedure, to subsection 4 of rule 37, which gives to the minister of the crown the exclusive right of not answering a question, and of asking that it be made an order for return, so the same principle may be applied in the present case.

Mr. MEIGHEN: And by implication, inasmuch as the minister alone is given the right under subsection 4 of the previous rule and is not mentioned at all in the next rule, the obvious and necessary inference is that he has no such right under rule 38. I take the ground that the hon. member for Vancouver Centre (Mr. Stevens) is right and that no single member or minister of the crown has the right to defeat the purpose of rule 38. But certainly if a minister has that right, everyone else has the same right.

[Mr. Stevens.]

Mr. LAPOINTE: Mr. Speaker, when I first came to this House there was no such rule allowing a member to put an asterisk before a motion for the production of papers so there would not be any debate. The motions were alike. This was done to expedite matters and to avoid debate on motions which are clearly non-contentious. As soon as such a motion is moved and it appears that a debate is necessary,—for instance, when papers are asked for which are confidential in their nature and the production of which would be detrimental to the public interest,—surely there must be objection to the motion and as soon as that objection is raised and a debate is desired it is necessary to transfer it because, when a motion appears with an asterisk, it is supposed that everyone is in favour of it. I think this is clear.

Mr. STEVENS: No, the motion with the asterisk could be rejected; the House is not bound to accept it.

Mr. LAPOINTE: But I have no right to give the reasons for which I oppose the motion, because it is undebatable. That is why it should be transferred.

Mr. MEIGHEN: Will the hon. gentleman permit a question? He says the purpose of the asterisk is to make the motion non-debatable. If any single member of the House can transfer it to the debatable column, how does an asterisk make it non-debatable?

Mr. LAPOINTE: That is how it was before; they were all debatable, and this was done simply to expedite matters. It is very seldom that these motions are debated, but in cases such as these where confidential documents are asked for we have to give our objections, and we cannot give them on a motion which is not debatable.

Mr. MANION: I would like to draw the attention of the Minister of Justice to the fact that the rule distinctly states that the person who must decide whether or not the asterisk is to be placed there is the mover of the motion.

Mr. LAPOINTE: Yes, so far as the asterisk is concerned.

Mr. MANION: It says that a motion for the production of papers, which is intended to be without discussion, shall be marked with an asterisk. If we are to draw an inference, the last part of the motion should refer also to the mover. The rule says:

All such motions when called shall be forthwith disposed of.

That must refer to the mover, because the first part refers to him.

Mr. LAPOINTE: If I have reasons to give, how can I do so?

Mr. SPEAKER: I have given my ruling.

Mr. STEVENS: Mr. Speaker, it is with very great regret indeed that I would suggest an appeal from your ruling, but I frankly state to you as my reason for doing so—does the Minister of Customs desire to make any comment?

Mr. BOIVIN: The Minister of Customs does not desire to make any comment, and he does not think the hon. member for Vancouver Centre has any right to comment upon a ruling of the Chair.

Mr. STEVENS: I am within the judgment of the Speaker of the House whom I presume to be Speaker, and not my hon. friend the Minister of Customs. I was observing, Mr. Speaker, that it was with extreme regret that I questioned your ruling and that I desired to appeal from it. I merely wish to say in doing so that my reason for making the appeal is that if this ruling is to be followed in the future, it simply means that the value or merit of rule 38, which is based upon long experience and which makes the notices of motion for the production of papers non-debatable, will be entirely vitiated at the caprice of any minister of the crown. Furthermore, Mr. Speaker, another reason for appealing against the ruling is that you have stated that a minister of the crown—.

Mr. LAPOINTE: I rise to a point of order.

Mr. STEVENS: I will be through in just a moment.

Mr. LAPOINTE: I rise to a point of order. The hon. gentleman has the right to appeal from a ruling, but he cannot make a speech on the ruling.

Mr. SPEAKER: The Speaker having decided that a motion for the production of papers could, under rule 38, at the request of the Minister of Customs, be transferred to the list of debatable motions, the hon. member for Vancouver Centre (Mr. Stevens) appeals from the ruling. Is it the pleasure of the House that the Speaker's decision be sustained?

Ruling sustained and motion of Mr. Stevens transferred to the order Notices of Motion.

PREVENTIVE SERVICE APPOINTMENTS

Hon. Mr. STEVENS moved:

For a return showing a list of all appointees to the preventive service since June, 1925, whose salary or expenses were paid out of the vote of $350,000 included in the supplementary estimates of 1925, together with the names of all those who recommended these persons, and also a copy of all correspondence having reference to those who were so appointed.

Hon. Mr. BOIVIN: I ask that this motion and, in order to save Your Honour reading them, several of the other motions that I will indicate, be transferred.

Mr. SPEAKER: The last one is carried.

Mr. BOIVIN: I was on my feet, Mr. Speaker, trying—

Mr. SPEAKER: I did not see the hon. member. Would the hon. member give the numbers of the motions that are to be transferred?

Mr. BOIVIN: Nos. 10, 11, 12, 13, 18, 22 and 23.

Mr. SPEAKER: It is ordered that said motions be transferred to the list of debatable motions.

Mr. STEVENS: Mr. Speaker, are we to understand that without the calling of the motions, without the motions having been moved, the minister can rise in his seat and transfer these motions?

Mr. SPEAKER:: I can call them; it is only a formality. It is, of course, more regular to call the motions.

Sir HENRY DRAYTON: Perhaps we might know what are really called. It seems to me we are getting a little outside of what we have been discussing. I hardly think it is quite the thing to do.

Mr. SPEAKER: I have read motion No. 11. That is transferred, also No. 12.

CUSTOMS ADMINISTRATION—R.C.M.P. REPORTS

Hon. Mr. STEVENS moved:

For a copy of all reports made from time to time during the years 1922, 1923, 1924 and 1925, by the Royal Canadian Mounted Police in reference to dishonest practice and inefficiency on the port of customs officers administrating affairs at the port of Montreal.

Hon. Mr. BOIVIN: I ask that this motion be transferred.

Mr. SPEAKER: Transferred.

Motion transferred.

REX vs. J. F. SIMONS ET AL

Hon. Mr. STEVENS moved:

For a return showing copies of all testimony and exhibits in connection with the case of Rex vs J. F. Simons et al.

Hon. Mr. BOIVIN: I ask that this motion be transferred.

Mr. SPEAKER: Transferred.

Motion transferred.

TARIFF ADVISERS

Mr. SPEAKER: Sir Henry Drayton moves:

For a return showing what appointments, if any, have been made under vote No. 346 of the estimates for the fiscal year ending March 31, 1926, reading as follows,—

"346. To provide for salaries and expenses of the advisers engaged in tariff enquiry. Payments may be made notwithstanding anything in the Civil Service Act or regulations thereunder, $30,000."

Also, for a return showing payments made under the authority of such vote, and for what purposes.

Sir HENRY DRAYTON: Dropped.

Mr. ROBB: I can give my hon. friend the answer now if he desires.

Motion dropped.

SMUGGLING—APPOINTMENT OF OFFICERS

Sir HENRY DRAYTON (West York) moved:

For a copy of all correspondence and other papers relative to the appointments made under vote 493 of the supplementary estimates for the fiscal year ending March 31, 1926, under the item reading as follows,—

"Amount required to create positions and make appointments of officers for the prevention of smuggling and to investigate reported frauds against the revenue, notwithstanding anything contained in the Civil Service Act and the said positions and staff so appointed to be wholly excluded from said act; also to provide for expenses of such officers and for the purchase or charter of vessels and for the purchase or hire of automobiles to be used in the prevention of smuggling or other offences against the revenue laws, $350,000."

Also, for a return of all appointments made under the authority of such vote, giving the names of the appointees, dates of commencement of their duties and when same ceased and the previous occupations of all appointees.

Also, a return showing all payments made under the said vote and for what purposes.

Hon. Mr. BOIVIN: I ask that this motion be transferred.

Mr. SPEAKER: Transferred.

Motion transferred.

ORDERS IN COUNCIL PASSED IN 1925

Sir HENRY DRAYTON (West York) moved:

For a return of all orders in council passed in the calendar year 1925.

Right Hon. Mr. MACKENZIE KING: I would ask my hon. friend if he really desires all that he is requesting here. As my hon. friend knows, there are a great many orders in council that are purely routine orders, having to do with regulations, promotions, transfers of land, property, and so forth, and to bring down all that is asked for here I am afraid would mean a very large and quite unnecessary expense. If my hon. friend would indicate the orders he has in mind there would be no objection.

Sir HENRY DRAYTON: One difficulty, Mr. Speaker, is that unfortunately I am not endowed with the gift of mind reading. I made this motion because I have great difficulty in finding out what the government is doing. However, I make this suggestion: In order to facilitate matters I am perfectly willing to go through the list with the Clerk of the Privy Council and to indicate those orders that can be brought down. That procedure would cut out, I should think, a very large proportion. I frankly tell my right hon. friend I do not know what orders he has been passing. I know that he has passed a considerable number, and there may be more.

Mr. MACKENZIE KING: I am sure my hon. friend knows me well enough to understand that if he had asked to see all these orders he would have been welcome to do so. I can promise him that I will take pleasure in putting the orders at his disposal.

Sir HENRY DRAYTON: I am perfectly content to let the motion stand. I will follow up the suggestion of my right hon. friend. I will go over the orders in council and indicate what should be brought down.

Motion stands.

ADMINISTRATION OF VANCOUVER HARBOUR

Hon. Mr. STEVENS moved:

For a copy of all correspondence, letters, telegrams, affidavits and documents of all kinds passing between W. H. Morrison of Vancouver, B.C., and the Minister of Trade and Commerce or any officer of the Department of Trade and Commerce, and the Minister of Justice or any officer of the Department of Justice, and having relation to a certain statutory declaration filed by the said W. H. Morrison, in reference to the administration of the harbour of Vancouver. Also all correspondence between the aforementioned ministers or their departments and A. Manson, Attorney General of British Columbia, in relation to the said statutory declaration.

Hon. Mr. ROBB: I offer no objection to the passage of the resolution except to remind my hon. friend of the exception made in the case of a previous resolution with respect to anything of a confidential nature.

Mr. STEVENS: I know of no papers that would be of that character, and certainly the rule in such cases should be respected.

Motion agreed to.

FRANK WILKINSON OF BEEBE PLAIN

Hon. Mr. STEVENS moved:

For a copy of all correspondence, letters and telegrams between the Minister of Customs or any officer

of the Customs department and Frank Wilkinson of Beebe Plain or Beebe Junction, Quebec, during the years 1922, 1923, 1924 and 1925. Also copy of all correspondence between special officer McNamee of Montreal, and the Minister of Customs or any officer of the Customs department in reference to the seizure of a car from one Frank Wilkinson.

Hon. Mr. BOIVIN: I ask that the motion be transferred.

Mr. SPEAKER: Transferred.

CUSTOM SEIZURES AT BEEBE JUNCTION, QUEBEC

Hon. Mr. STEVENS moved:

For a copy of all official records, documents, letters and telegrams in connection with and having reference to all seizures made at Beebe Juncvtion, Quebec, during the years 1922, 1923, 1924 and 1925, giving the names of the persons involved and the value and the amounts of the seizures, together with all particulars of the settlements effected in each case.

Hon. Mr. BOIVIN: I ask that this motion also be transferred.

Mr. SPEAKER: Transferred.

EMBARGO UPON PULPWOOD

Mr. ARTHURS moved:

For a copy of all correspondence, letters, telegrams or recommendations relating to an embargo upon pulpwood or to a proposed export duty upon pulpwood shipped from Canada, such order to apply to correspondence, etc., subsequent to January 1, 1921.

Hon. Mr. ROBB: I imagine that the tabling of the report of the Pulpwood commission should satisfy my hon. friend and save very much work. I will be glad to consult with him in regard to the matter.

Motion stands.

DUTIES ON NEW ZEALAND IMPORTS

Mr. SUTHERLAND (South Oxford) moved:

For a copy of all correspondence, letters, telegrams, or other records between the government of Canada and New Zealand relating in any way to the passing of an order in council by the government of Canada under date of September 26, 1925, whereby the Canadian customs tariff on agricultural products from New Zealand, when imported into Canada, was greatly reduced, and in many instances entirely removed.

Hon. Mr. ROBB: I offer no objection to the passage of the resolution except to point out the error in the last six words reading as follows: "and in many cases entirely removed". The duty has not been removed "in many cases".

Mr. SPEAKER: Carried with that excision?

Mr. ROBB: I am only making that observation.

Mr. SPEAKER: Carried.

PENALTIES FOR UNDERVALUATION

Hon. Mr. STEVENS moved:

For a copy of all correspondence between the Victoria Lumber & Manufacturing Company or any solicitor or agent of the said company and the Customs department, Ottawa, in reference to machinery imported from the Diamond Iron Works, Minneapolis, together with copy of all reports in regard to the investigation of these importations, also a statement showing the amount of penalty duty imposed for under-valuation, also copy of evidence that the Diamond Iron Works submitted in rebuttal of the charges preferred against them. Also copy of the settlement made showing when the sum in settlement was finally paid.

Hon. Mr. BOIVIN: I ask that this be transferred.

Mr. STEVENS: I would simply say to the minister that the resolution has nothing to do with the inquiry at all.

Mr. BOIVIN: I would like to have the motion slightly amended, but I cannot do that without discussing the motion and that is why I ask to have it transferred.

Mr. STEVENS: It is done every day. This is simply a process of obstruction.

Motion transferred.

APPOINTMENT OF TRADE COMMISSIONERS

On the motion of Mr. ROSS (Kingston):

For a return showing the names of all appointees as trade commissioners, of all dismissals and resignations from such positions, and also a copy of all correspondence, telegrams, and other documents connected with the same appointees, dismissals and resignations, during the years 1922, 1923, 1924 and 1925.

Hon. Mr. ROBB: I notice that the hon. member for Kingston (Mr. Ross) is not in his seat. Some days ago I gave him certain information which I think satisfied him, and we might let this motion stand until that is confirmed.

Motion stands.

EMPLOYMENT OF MILITARY OFFICERS

Mr. DOUCET moved:

For a return showing:—

1. The numbers of each of the following: lieutenant generals; major generals; colonels commandant; colonels; lieutenant colonels; majors; captains; lieutenants; non-commissioned officers of each rank; privates at present or at the latest date at which the information is available, in the employ of the government of Canada in the permanent force, including civilian employment and the Air force, (a) at headquarters at Ottawa, (b) at each military district in Canada.

2. How and where each is employed, appointment, regimental, staff or otherwise.

3. The amount paid each annually (a) in cash, (b) amount given to each annually by way of allowance, showing details of allowances.

4. The amount deducted from or charged to each annually on any account (other than penalties) showing details of deductions.

5. Those employed as instructors, with the rank of each and where employed.

6. The number of persons instructed from August 1, 1924, to August 1, 1925, the rank of each, the course given each and where each instructed.

Hon. Mr. MACDONALD: I am instructed by the officers of my department that to provide this return in regard to the first four items would involve going over a list of about 3,500 men, and in regard to the sixth item it would involve a statement in regard to 35,000 men. If my hon. friend will confer with me I shall take pains to ascertain the exact information he requires, and I would ask that the motion stand.

Motion stands.

WINNIPEG STRIKE

Mr. WOODSWORTH (for Mr. Heaps) moved:

For a copy of all correspondence, letters, telegrams, reports, orders in council, and other documents relating to the use of the military or civil forces in connection with the Winnipeg general strike of 1919.

Mr. CHAPLIN: In reference to this resolution, I want to move that it be transferred to debatable motions. I wish to have it debated.

Mr. SPEAKER: If the desire is expressed generally by the House—

Some hon. MEMBERS: No, no.

Mr. SPEAKER: If it is the desire of hon. members it may be transferred.

Motion transferred.

PRICE OF NEWSPRINT

Hon. Mr. STEVENS moved:

For a copy of all correspondence, letters, telegrams, documents, etc., passing between R. J. Crombie of the Vancouver Daily Sun, Vancouver, British Columbia, and the Prime Minister of Canada or any other minister of the crown, or any officer of the government and having reference to the price charged in Canada for newsprint and the price at which Canadian newsprint is sold abroad, together with all documents and reports made to the government in regard to the same during the years 1922, 1923, 1924, 1925 and to date in 1926.

He said: At the very courteous request of the Minister of the Interior I ask that this motion be allowed to stand.

Motion stands.

STOUFFVILLE POST OFFICE

Mr. LENNOX moved:

For a copy of all correspondence, letters, telegrams and other documents, relating to the post office at Stouffville, Ontario.

Hon. Mr. LAPOINTE: I assume that what the hon. gentleman wants is the correspondence relating to the construction of a post office building and not to postal matters generally.

An hon. MEMBER: Yes.

Motion agreed to.

COLONEL ROBERT INNES

Mr. CASGRAIN (for Mr. McIntosh), moved:

For a copy of all accounts submitted to the government by Colonel Robert Innes, in connection with his visit to India, together with a copy of all telegrams, correspondence and other documents in connection with the same.

Mr. BOYS: I ask that this motion be transferred to the list of debatable resolutions.

Mr. SPEAKER: Transferred.

ELECTRIC MACHINERY MANUFACTURING COMPANY, MINNEAPOLIS

Mr. FOSTER moved:

For a copy of all correspondence, letters, telegrams, affidavits, reports, communications and documents of all kinds passing between the Electric Machinery Manufacturing Company, of Minneapolis, Minnesota, and the honourable the Secretary of State or any officer of the Department of the Secretary of State or any other departments of the government or any officers of any other departments of the government between the 11th of November, 1919, and the present time.

Hon. Mr. LAPOINTE: In order to obviate the transfer of this order along with several others following, up to and including No. 66, I would ask that they be allowed to stand. In the meantime I shall communicate with my hon. friend with a view to having the motions changed somewhat so that they may pass. As they are drafted it would be almost impossible to answer them.

Mr. SPEAKER: Shall all the hon. member's motions stand?

Mr. LAPOINTE: Yes, Mr. Speaker, down to 66 inclusive.

Mr. FOSTER: The minister says it would be impossible to answer them. What am I to understand that to mean?

Mr. LAPOINTE: They are objectionable in their present form. They ask for an indefinite series of correspondence between six named persons and various departments of government. The motions should relate to some definite subject and if the hon. member would state just what he has reference to in the matter of the correspondence the information could be brought down. In many cases in the departments correspondence is indexed and filed under the subject matter and not under the name of the correspondent. It would be very difficult indeed to give all

the correspondence my friend wants in the form in which his motion is drafted. Furthermore, he asks for all correspondence exchanged since 1919 by the firm of Henderson & Herridge, Ottawa, with every department of the government, without mentioning the subject matter. It is almost impossible to give that information.

Mr. SPEAKER: Stands.

CANADIAN NATIONAL RAILWAYS—DETROIT FRANCHISE

Mr. BOYS (for Mr. Church) moved:

For a copy of all correspondence, telegrams, reports, agreements, contracts, letters and all other correspondence between the Honourable Alexander Groesbeck, Governor of Michigan, or any other person or persons, and Sir Henry Thornton and the Canadian National Railways, or any officials thereof, relating to the giving up of valuable charter considerations and rights of way to the state of Michigan by the Canadian National Railways and The Detroit G. H. & M. Railway, a subsidiary—and the agreement to pay $225,000 taxes a year to the state of Michigan. The surrender of valuable franchise owned in perpetuity in the centre of Detroit by the Canadian National and The Detroit & G. R. M. Railway, and also relating to the use of the Brush street (C.N.R.) terminal in Detroit.

Hon. Mr. ROBB: Mr. Speaker, I have a memorandum from the management of the Canadian National Railways saying that such correspondence and other documents as can be brought down without prejudice to the situation as between the Canadian National Railways and the state of Michigan, will be produced.

Sir HENRY DRAYTON: What does that mean?

Mr. SPEAKER: Carried.

Mr. MEIGHEN: Mr. Speaker, I know of no rule whereby a motion can pass subject to a qualification. Now that we have this new rule that anybody can transfer debatable questions, I think it would be much better to have this motion so transferred.

Mr. ROBB: I do not object to having it transferred.

Mr. SPEAKER: By unanimous consent, transferred.

MR. H. BOULAY

Mr. CULLIGAN moved:

For a copy of any letter or letters written by Mr. H. Boulay, of Sayabec, county of Matane, to the Minister of Militia and Defence at Ottawa, on January 18, 1918.

Hon. Mr. MACDONALD (Antigonish-Guysborough): Mr. Speaker, with the leave of the House, I should like to call the attention of the hon. member who is making this motion to the fact that he must indicate what the letter he requires relates to. The documents in the Department of National Defence are indexed under the subjects to which they relate, not under the names of the individuals who happen to write to the department.

Mr. SPEAKER: Stands.

CANADA AND IMPERIAL FOREIGN POLICY

Mr. WOODSWORTH moved:

That, in the opinion of this House, Canada should refuse to accept any responsibility for complications arising from the foreign policy of the United Kingdom.

Right Hon. W. L. MACKENZIE KING: Mr. Speaker, this is the motion to which I made reference earlier in the afternoon. I spoke to my hon. friend about the motion before coming into the House, and I understood that he would be agreeable to allowing it to stand, for the reasons I have already mentioned, namely, that remarks made in the course of debate would almost certainly be cabled to Europe where their bearing might not be understood; it would be inadvisable to incur a risk of the kind while the League of Nations in its assembly at Geneva is considering matters of British foreign policy and of great international import. My hon. friend was quite agreeable to the motion being allowed to stand, seeing that it is first on the order paper and will likely come up again in the near future. He desired I should give him an assurance that there will be no commitment made between now and the time when the motion is discussed. I am pleased to give my hon. friend the assurance, that there will be no commitment by the government which will prove embarrassing to him or to the country.

Mr. SPEAKER: Stands.

Mr. MEIGHEN: I saw the hon. member rise to make his motion. I was just going to add my word to the Prime Minister's expressing the hope that the motion be allowed to stand.

Mr. SPEAKER: Stands?

Mr. WOODSWORTH: Yes, stands.

Mr. SPEAKER: Stands.

HUDSON BAY RAILWAY

On the motion of Mr. MILLAR:

That, in the opinion of this House, the government of Canada should seriously consider the advisability of completing the Hudson Bay railway line to Port Nelson in the year 1926.

Mr. MILLAR: Dropped.

Mr. SPEAKER: Dropped.

LEGAL MINIMUM WAGE

Mr. J. S. WOODSWORTH (Winnipeg North Centre) moved:

That, in the opinion of this House, a wage sufficient to provide for a reasonable standard of living should constitute a legal minimum wage.

He said: Mr. Speaker, I had hoped to take up the resolution standing in my name on establishing a national system of banking, but certain members of the Progressive party who wish to discuss the question are not prepared to go on with it to-day. So I have passed on to this resolution relative to a basic wage. My idea in bringing the resolution before the House is that we should make statutory the guarantees of the Peace treaty. Let me read a clause from that treaty dealing with this matter:

Holding as they do that labour should not be regarded merely as an article of commerce, they think that there are methods for regulating labour conditions which all industrial communities should endeavour to apply, so far as their special circumstances will permit. Among these methods and principles, the following seem to the high contracting parties to be of special and urgent importance.

And among others we find:

3. The payment to the employed of a wage adequate to maintain a reasonable standard of life, as this is understood in their time and country.

I take it, Mr. Speaker, that most of us have given a great deal of thought to the provisions of the Peace treaty of Versailles as they relate to international boundaries. We have perhaps not recognized so clearly that the treaty refers just as definitely to certain industrial relationships and that we, as one of the signatories to the treaty, are under obligation, as are the other signatories, to carry out the clauses with regard to these industrial relationships. I can hardly hope that to-day there may be a discussion sufficiently full to lead to the adoption of so far-reaching a reform as the one which I am proposing, but I could hope that we might at least have this matter referred to our standing committee on Industrial Relations, and that a report could be brought in as to how we in Canada could best carry out the purposes of the treaty. This is one of those rather complicated questions in which the relative jurisdiction of the Dominion and the provinces is concerned. I do not know whether there has been any definite pronouncement with regard to just how far the carrying-out of this particular matter lies within the jurisdiction of the federal authorities, but we ought to have definite information with regard to that matter. It is clearly stated in this clause that labour is not a commodity. So far in Canada, as elsewhere, we have followed the principle that labour is a commodity. We buy and sell labour in the open market; we give labour what it is worth, as we say, just as we would hire a machine for a certain purpose. We base the returns to labour very largely on what the industry will stand, rather than on what the labourer requires. If we are to carry out the purposes of the treaty we must reverse entirely the principle on which we have been working in this country, and recognize another principle, namely, that a reasonable standard of living is a first charge on industry. Let me repeat that. We shall have to very clearly recognize that other principle, that a reasonable standard of living is the first charge on industry.

Although this question is comparatively new here in Canada it has been under discussion for a number of years in other parts of the world. As early as 1907 Judge Higgins, of the Australian Federal Industrial Court declared that a minimum wage was essential in industry, to allow a standard of living which would give reasonable comfort and supply the normal needs of an average worker regarded as a human being living in a civilized community. In 1909 he led an investigation into the cost of family budgets, and constructed the first budget upon which a general minimum wage might be based. I hold in my hand a bulletin of the New South Wales board of trade, in which I find a report containing a statement of the principle which I would like to have adopted by this House. Part of this report is as follows:

The fixation of the living wage in New South Wales is, by section 79 of the Industrial Arbitration Act, 1912, as amended, committed to the New South Wales Board of Trade.

"79. (1) The board of trade shall, from year to year, after public inquiry as to the increase or decrease in the average cost of living, declare what shall be the living wages to be paid to adult male employees and to adult female employees in the state or any defined area thereof.

And again, in clause 2.

No industrial agreement shall be entered into and no award made for wages lower than such living wages.

That is, if we adopted the principle which I enunciated a few minutes ago it would become criminal to employ a man or a woman for less than would provide a decent standard of living, and this standard of living would have to be determined in some way by boards formed for that purpose. In Australia a few years ago we had a report of the royal commission on the basic wage.

Mr. GEARY: Will the hon. gentleman allow me a question?

Mr. WOODSWORTH: Certainly.

Mr. GEARY: If the hon. member approves of it being made criminal to pay low wages, what has he to say about allowing goods to come into Canada which are the product of low wages?

Mr. WOODSWORTH: I think in that case, Mr. Speaker, we should have to carry out the policy of the British Labour party, and put on a boycott of goods which were produced under unfair conditions. That was the policy of which I spoke in this House last year.

Mr. GEARY: What form of a boycott?

Mr. WOODSWORTH: I beg your pardon?

Mr. MEIGHEN: How was the boycott to be enforced?

Mr. WOODSWORTH: I think the suggestion offered—again I am referring to the British Labour party—is not a bad one, that we should insist that the standards advocated or set forth by the League of Nations and subsequent conventions should form a standard to which any nation desiring to belong to the civilized community should conform. Then we would insist that any nation which did not conform to these standards should be boycotted.

Mr. MEIGHEN: That is not the question; the question is, how was the boycott to be enforced?

Mr. WOODSWORTH: I am not prepared to answer that at a moment's notice.

Mr. GEARY: The hon. gentlemen never thought protection as being a help, did he?

Mr. WOODSWORTH: No, I do not think protection would answer the purpose; we would have to go further than that. I would agree to protection, but it is the protection of the worker and not the protection of the industry, which is a different matter.

Mr. GEARY: It is the same thing.

Mr. WOODSWORTH: It is not the same thing. If I could be sure that so-called protection would protect the worker, I might be led to look a great deal more favourably on what has been termed protection, but in some of the most highly protected industries in the United States we find the lowest paid labour.

Mr. NICHOLSON: Just as a matter of information, might I ask the hon. gentleman if he would advocate the prohibition of goods entering Canada from countries where the standards of wages were lower than the standards of wages in Canada?

Mr. WOODSWORTH: I think this matter would have to be taken up in a large way. There would have to be understandings arrived at through an international body such as the League of Nations. We cannot deal directly with this nation and that nation. It is a matter of our trade with two or three or four different nations.

Mr. MEIGHEN: Why cannot we? If we want to put a prohibition on southern cotton, for instance, because the negroes work cheaply, we can do that. Why not do it?

Mr. WOODSWORTH: I think it would have to be part of a larger scheme and not simply picking out one industry or one nation.

Mr. MEIGHEN: Why not deal with them all?

Mr. GARLAND (Bow River): Before we prohibit cotton, should we not first learn to grow cotton in this country?

Mr. WOODSWORTH: I do not think this discussion is going to get us very far along the line of a basic wage. I would urge that before we deal with other countries, we must have in Canada a wage which forms the basis for a reasonable standard of living. I can quite understand that if we get that we can then deal with these other problems which have been proposed.

Mr. BAKER: If we have a high standard of wages in Canada in order to maintain a proper standard of living, how are our people going to get work when goods are allowed to enter this country from countries where low wages are paid?

Mr. WOODSWORTH: There will be difficulties along that line. We should recognize to-day that we are facing world competition with many nations living on very low standards. There is the other side of the question, however, I might remind the hon. gentleman, that very frequently high wages are quite compatible with great efficiency, and I am inclined to think that those industries which pay decent or even high wages are in the long run going to win out.

I should like to refer to the report of the Royal Commission on the basic wage in Australia. I must admit that legislation has not so far been enacted along the lines of the report of this commission. This commission was appointed by the government of Australia on December 8, 1919, to report on the minimum or basic wage, to ascertain what was a fair basic wage, how much the sovereign had depreciated in value during the war, and how the basic wage should be

adjusted to the current cost of living, and in future be adjusted according to changes in the cost of living from time to time. The appointment of the commission had been announced by the Prime Minister, Right Hon. W. H. Hughes, on October 30, 1919, in the following statement, and I should like to call the attention of the House to this statement which seems to me to contain a great deal of what I am pleading for this afternoon:

> If we are to have industrial peace, we must be prepared to pay the price, and that price is justice to the worker. Nothing less will serve. We have long ago adopted in Australia the principle of compulsory arbitration for the settlement of industrial disputes and of the minimum wage. The cause of much of the industrial unrest, which is like fuel to the fires of Bolshevism and direct action, arises with the real wage of the worker—that is to say, the things he can buy with the money he receives. This real wage decreases with an increase in the cost of living. Now, once it is admitted that it is in the interest of the community that such a wage should be paid as will enable a man to marry and bring up children in decent, wholesome conditions—and that point has been settled long ago— it seems obvious that we must devise better machinery for insuring the payment of such a wage than at present exists. Means must be found which will insure that the minimum wage shall be adjusted automatically, or almost automatically, with the cost of living, so that within the limits of the minimum wage at least the sovereign shall always purchase the same amount of the necessaries of life. The government is, therefore, appointing a Royal Commission to inquire into the cost of living in relation to the minimum or basic wage.

When that commission was appointed it was decided to determine reasonable standards of comfort, not by reference to any one type or group of employees, but by reference to the needs which are common to all employees, following the accepted principle that there is a standard of living below which no employee should be asked to live. I shall not detain the House with any detailed account of the report of this commission, which I hold in my hand, but I may say that there is a very good summary of it published in our own Labour Gazette of April, 1921.

Here in Canada we have made a beginning along the line of the minimum wage, at least in so far as female labour is concerned. In Canada minimum wage bills for female workers were introduced in 1916, and have been enacted to date in seven provinces. In both Canada and the United States there is still very little legislative protection for unskilled, underpaid and unorganized male workers, but the principle is accepted. The proposal to have a minimum wage has been adopted so far as women workers are concerned, and further than that, we are quite accustomed to the methods by which that minimum is determined. In seven of the provinces we are now actually carrying out this work, and it would not be very difficult to extend the methods already adopted and apply them to male labour.

We have one example in Canada of the principle being applied in the case of male labour, and that is in the province of British Columbia, which in a great many respects leads the rest of Canada—I say that for the benefit of my neighbour here (Mr. Neill). Let me quote from the Labour Gazette of January, 1926:

> The only previous Canadian legislation was contained in an amendment to the British Columbia Coal Mines Regulation Act in 1919, providing for the establishment of a Coal Mines Minimum Wage Board, but no such board was ever established under the act. The Alberta Factories Act also was amended in 1918 to provide that "no person shall be employed by any employer in any factory, shop, office or office building at a wage less than $1.50 per shift." With these exceptions, however, no minimum wage law applicable to men was in existence.

There follows in another section of this issue of the Gazette a summary of the British Columbia Male Minimum Wage Act. It provides for the establishment of minimum wages for men employed in nearly all types of industry, the minimum rates to be fixed by the Board of Adjustment under the Hours of Work Act, 1923, which provided for an eight-hour day. The original bill as introduced by Major R. J. Burde provided for a minimum wage for all workers, but later he accepted representations that the bill as it stood would be difficult to apply in practice, and substituted a new bill designed to apply only to workers in the lumber industry. The Minister of Mines desired to have the new bill enlarged to include the coal mining industry, but opposed any further extensions, which he considered would make the act too sweeping and tend to destroy its effectiveness. The legislature, however, decided in the end to accept other amendments restoring the general character of the act and making it applicable to every class of occupation with the exception of those mentioned in the last section of the act. The last section reads as follows:

> This act shall apply to occupations other than farm labourers, fruit-pickers, fruit-packers, fruit and vegetable canners, and domestic servants.

Mr. BAKER: Does the hon. member not think it would be better first to provide work for our unemployed, and discuss the matter of wages afterwards?

Mr. WOODSWORTH: I think it is highly desirable to find work—

Mr. BAKER: First.

Mr. WOODSWORTH: But I submit that one of the surest ways of providing work is to increase the buying power of the people. If we had a larger amount distributed in the form of wages there would be before long a greater demand for consumable commodities, and the wheels of industry would once more be set to work

Mr. MEIGHEN: How can work be provided by an increased buying power simply for foreign goods?

Mr. WOODSWORTH: The right hon. leader of the opposition suggests that that is the way the principle must work. That does not follow at all. In any case, if we do buy foreign goods we must pay for them by goods we produce and this probably means increased production. The purchase of foreign goods thus provides wider markets for our own goods. There is no doubt about that. If goods come in goods must also go out.

Mr. BAKER: That is theory not practice.

Mr. WOODSWORTH: Some hon. gentlemen seem to think that we must act in a haphazard way that defies all theory. To me, however, it seems that good practice must be founded on sound theory. No one will doubt that if we find markets for Canadian made goods we must receive goods in return.

The further question then confronts us as to how we shall determine what a basic wage really is, and what efforts have been made in other countries along this line. I have in my hand a copy of the United States Department of Labour Statistics containing a "tentative quantity and cost budget necessary to maintain a family of five." There is a very interesting study made here by experts as to how this ought to be made up, and I should like to read just a few paragraphs as they may indicate the line along which the experts are working. I quote as follows:—

After long consideration, it was decided to use as a working basis a budget level which can be best expressed perhaps by the phrase "a standard of health and decency." This phrase is not entirely precise in meaning. No phrase of the kind can very well be wholly satisfactory. The budget herewith suggested is intended to give to the average family, consisting of husband, wife, and three children, below the age of 14 years—

(1) A sufficiency of nourishing food for the maintenance of health, particularly the children's health;

(2) Housing in low-rent neighborhoods and within the smallest possible number of rooms consistent with decency, but with sufficient light, heat, and toilet facilities for the maintenance of health and decency;

(3) The upkeep of household equipment, such as kitchen utensils, bedding, and linen, necessary for health, but with no provision for the purchase of additional furniture;

(4) Clothing sufficient for warmth, of a sufficiently good quality to be economical, but with no further regard for appearance and style than is necessary to permit the family members to appear in public and within their rather narrow social circle without slovenliness or loss of self respect.

(5) A surplus over the above expenditures which would permit of only a minimum outlay for such necessary demands as—

(a) Street car fares to and from work and necessary rides to stores and markets;

(b) The keeping up of a modest amount of insurance.

(c) Medical and dental care;

(d) Contributions to churches and labor or beneficial organizations;

(e) Simple amusements, such as the moving pictures once in a while, occasional street car rides for pleasure, some Christmas gifts for the children, etc;

(f) Daily newspaper.

I quote further:

It needs to be emphasized that the budget level adopted in the present study is in no way intended as an ideal budget. It was intended to establish a bottom level of health and decency below which a family can not go without danger of physical and moral deterioration. This budget does not include many comforts which should be included in a proper "American standard of living." Thus no provision is directly made for savings other than insurance, nor for vacations, nor for books and other educational purposes. On the other hand, a family with the items listed in this budget should be able to maintain itself in health and modest comfort. It would have a sufficiency of food, respectable clothing, sanitary housing, and a minimum of the essential "sundries".

After going into further details there is given a summary of the budget which I shall not read to the house but which I should like to have placed on Hansard:

Summary of Budget

Cost of quantity budget at market prices

I. Food		$773 93
II. Clothing:		
Husband	$121 16	
Wife	166 46	
Boy (11 years)	96 60	
Girl (5 years)	82 50	
Boy (2 years)	47 00	
		513 72
III. Housing, fuel, and light		428 00
IV. Miscellaneous		546 82
Total budget at market prices		$2,262 47
Possible saving upon market cost by a family of extreme thrift, of high intelligence great industry in shopping, good fortune in purchasing at lowest prices, and in which the wife is able to do a maximum amount of home work:		
I. Food (7½ per cent)	$ 58 04	
II. Clothing (10 per cent)	51 37	
III. Housing	30 00	
IV. Miscellaneous	107 50	
Total economies		246 91
Total budget minus economies		$2,015 56

There is also in my hands another budget prepared by the Visiting Housekeeper As-

sociation of Detroit, and I should like to have this likewise placed upon Hansard:—

Visiting Housekeeper Association, Detroit
Minimum budget for wage earners' family
(Man, woman, girl 5, girl 12, boy 14.)

	October 15, 1925. Month	Year
Food	$ 54 10	$649 20
Clothing	26 27	315 24
Rent	40 00	480 00
Furnishings	9 04	108 48
Fuel and light	12 73	152 76
Extras	7 58	90 96
Insurance	2 44	29 28
Health	6 84	82 08
Savings	10 00	120 00
	$169 00	$2,028 00

2.1 per cent increase in food since July 1925.
1.54 per cent decrease on entire budget since July 1925.

We had a few years ago, to be exact in 1922, a careful study made of the minimum standard of living in Canada by Arthur Martel, at that time vice president of the Trades and Labour Congress of the Dominion. He gives a budget in the February number, 1922, of the Canadian Congress Journal, and says:

In March, 1921, the cost of the above budget was $1,744.38. This figure is only $1.70 greater than the cost of a Workingman's Standard of Living in Philadelphia at March, 1921, prices, "Prepared by the Citizens' Business Bureau of Municipal Research."

We have had still other budgets prepared in Canada. One is contained in the little government publication Household Cost Accounting in Canada published by the Department of Health in 1923. And recently there has been issued, after very careful study, a cost of living budget by the Canadian Railway Employees Research expert, Miss Margaret S. Gould. I may say that the method of obtaining this budget was slightly different from the other; The investigator went across the country making actual purchases at the various shops of the articles needed. Thus there was a closer approximation to what was necessary. The average yearly cost of this budget for the Dominion at the present time was found to be as follows:

Food	$ 639 04
Clothing (Annual replacement)	452 91
Rent, light and heat	565 50
Household equipment (annual upkeep)	68 59
Cleaning supplies	44 10
Miscellaneous: Health, insurance, laundry, car fare, recreation, etc.	432 43
Total annual cost for worker's family of five persons	2,202 37

Miss Gould says:

It must be understood and remembered that this is a minimum standard budget. There are many items, especially in the realms of clothing and household equipment, which justifiably might be included. No annual holiday is provided for, and no allowance is made for savings, while the amount of insurance may be deemed insufficient to give adequate protection. On the whole, the budget attempts to lay down a basis of healthful living from which no worker can afford to swerve, without causing incalculable danger to the present and future wellbeing and health of himself and family. Establishing this minimum basis, the budget is constituted as a guide toward an ever-improving standard. As wants are filled, new needs progressively are created.

The report is contained, let me say, in the Canadian Railway Employees' Monthly, of February 1926.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. WOODSWORTH: When the House took recess I was giving some of the budgets which had been prepared to show the amount necessary in order that a family might maintain a decent standard of living. Perhaps it might be of interest to give the figures with regard to what employees in this country are actually paid. In the Canada Year Book, 1924, at page 707, we find the wages in the Canadian manufacturing industries in 1921 and 1922 were:

The average earnings of the 74,884 salaried employees covered in 1922 were 1,787 of the 387,689 factory hands, 937, and of the two classes together, $1,075. In 1921 salaried employees averaged $1,819, wage earners, $996, and all employees, $1,133.

The number of male workers reported increased in 1922 by 3.5 per cent, while the number of female workers was greater by 11.1 per cent. Out of every 1,000 persons employed by manufacturers in 1922, 755 were male and 235 were females: in the preceding year the ratio was 778 to 222.

With regard to the female employees, at least in seven of our provinces there is provision for a minimum wage, but so far, except in British Columbia, there is no provision for minimum wage in the case of male employees. Now, it may be said that there is a very wide discrepancy between the amounts that are considered necessary for a decent standard of living and the amounts actually paid. That is true, and the community is undoubtedly carrying the burden. People of small wage manage to get along—some of them at least—by immense sacrifices to themselves and to their children, entailing a tremendous burden upon the community. I am going to read to the House a paragraph or two very typical of the descriptions which are given of the condition of the poorer families of Canada round about Christmas time; we find similar cases in almost all our large cities. The one to which I refer is

taken from the Toronto Daily Star of Monday, December 14, 1925. It reads

Largest Weekly Wage $24 Since Man Started To Work

"If I could make $20 a week regularly I would be happy."

A sick and doleful man, tossing restlessly underneath soiled bed clothes. His feverish eyes turned in the direction of his wife, who was standing silently in the far corner of the damp and dim little room. She gravely nodded her corroboration.

"Yes," she said, "we could do nicely on that."

It didn't seem much to ask of the world—$20 per week for a man slaving in a tannery.

"I once earned $24 a week for awhile," reflected the sick man, as if that time were the financial oasis of his life, when it was all smooth sailing.

Five To Support

But with five people to support, rent to pay, doctor's bills to meet, food to buy it could hardly be called a princely allowance.

This is another of those families that have never got out of the mire. There are three little girls in the family, all, from outward appearances, in various stages of anemia. There was also a little brother, but he died.

It is not to be wondered at if they do look like children whose parents have been skating on thin ice. The $24-a-week days are a thing of the past, and now the father's total earnings for a week cannot be more than $18, and generally he loses two, or perhaps more, days a week. If he loses two his wages are $12. His rent is $5. Divide the balance by five and you get $1.40. With five people getting no more than that each week somebody has to go without.

Behind In Rent

Sometimes they get three months behind in the rent, and then it takes them a great deal longer to recover. Invariably they are in debt with the doctor, paying him off sometimes at the rate of 50 cents a week.

This is a typical situation for one of the families on the list of The Star Santa Claus Fund. It is not an isolated case; quite the contrary. There are thousands like it.

The record in any city of any size would show thousands of cases very similar in character to this. That is what it means to the family living on low wages. Just think what a great burden this entails on the community at large. I believe that any medical man will bear me out—and there are a very large number of medical men in this House—that to no small extent the patients in our hospitals coming from the poorer homes in our cities are there because of the lack of proper care at home. Those who have had anything to do with poor relief in our cities know what large sums are given by the various institutions and societies and by the churches toward the support of the people who are obliged to live below the line. I know of one society in my own city which has had to consider seriously the question whether or not it was right to supplement by charity the wages paid to the working people there—wages that are altogether inadequate to support them in anything like a decent standard. We have also the same testimony from our prisons and penitentiaries. A considerable number of the inmates of these institutions were tempted to crime simply because they had to keep themselves on less than would maintain a decent standard of living.

I remember some years ago trying a little experiment of my own. I requested the health officers to give me a spot map showing the location of the contagious diseases in my city over a number of months. I then went to the associated charities and asked them to prepare me a similar map showing where their cases requiring relief were located, and I asked the juvenile court for a spot map indicating in what districts cases of juvenile crime were prevalent. I placed these maps side by side and I found that they were almost identical in detail. I do not know which is the most fundamental—the want of health, or poverty, or juvenile crime, but I would say that the three were closely connected. And the worst is not the effect on the individual or even on the individual family but the effect on the younger children and the coming generation. If we give less than a decent standard of living we simply mortgage the future generation.

Objections to anything like a minimum wage come from two sources. There is sometimes objection on the part of labour itself. It is feared by some labour leaders that the minimum wage might tend to become the maximum, and that, I think, might be a real danger if we proposed to fix a minimum wage in every industry. But I am not talking of a minimum for each industry; all I advocate is a basic wage that would apply to all men, a wage below which it is not safe to allow any family to live. There is also an objection from industry; we are told that industry cannot bear the burden. Well, I suggest that so long as we have such accumulation of wealth as we have in this country we need not worry a great deal about this matter. So long as there are a few people who possess large fortunes while the masses in Canada have comparatively little there is no reason why these masses ought not to have their standards raised. You have but to glance at the income tax returns to realize the very unequal distribution of wealth in Canada, and so long as industries are earning large dividends, so long as our financial institutions are prosperous, there is no reason whatever why individual workmen should subsist on low standards.

In my opinion any industry that cannot pay its employees a decent wage is parasitic, and that industry might just as well pass out. Surely if an industry is worth carrying on it ought to afford a decent living to the people who are engaged in it. As I said a little while ago, we ought to regard wages as a first charge on industry. As it is to-day, we consider interest as a prior charge; rents are regarded as a prior charge and we have profits in various forms as a prior charge as well. We must reverse this way of thinking, and recognize that wages, which mean the very life of the employee, ought to constitute a first charge on industry. As a matter of fact we do not treat our employees on as good a principle as we do the lower animals, for we have on the statute books laws for the prevention of cruelty to animals. A man is not allowed to work a horse and not give it proper food; he is not even allowed to keep a wild animal in confinement without adequately caring for it. Yet we have many people in this country who are working for anything but an adequate wage, a wage which would enable them to provide even the barest necessities of life. We ought surely at least to go as far as that.

It is said that dreadful things may happen if this or any other reform, for that matter, is carried out, but I would point out that no dire results have attended the minimum wage for women. It may be that certain employers have been unable to engage the girls they would have liked to employ, and it may be that the costs of production have been somewhat increased and, of course, passed on to the public. But we are coming to recognize that on the whole no serious results have ensued from the enactment of minimum wage laws for women. Why therefore should there be any danger in enacting a similar law for men who have families to support? I am again speaking of a basic wage; I am thinking of those classes of men who generally have been unable to organize themselves into trade unions and who therefore are the most helpless in our community life.

Perhaps I might pause for a moment to answer a little more fully a suggestion that has been made, that in the event of a minimum wage law being carried into effect there might be a danger of there not being enough work available for those seeking employment. I would call the attention of the House to a very interesting treatment of the Economics of Unemployment by Mr. J. A. Hobson, the well known British economist. In this book issued about a year or so ago he takes the point of view that on the whole the present organization of industry has really allowed for an altogether undue proportion of savings, which have been put into fixed capital—that is to say, into factories, railways and so on, and that whilst undoubtedly this great piling up of capital that has gone on in the past has conduced to build up our present civilization, the time is about come when this is in danger of becoming top-heavy, and when, if we wish to save this system, we shall have to alter it very materially.

His line of reasoning is something like this. Supposing we have a factory turning out $100,000 worth of goods, and supposing $50,000 worth of that output is paid in the form of wages or for raw materials—I am not giving exact proportions; this is simply to illustrate—the owner of the factory is able to retain for himself $50,000. He does not spend that foolishly on himself, as a good many who are opposed to the system imagine he does; he puts the greater part of it back into the business. He does it because he follows tradition; he does it because his competitors are doing so; he does it because of the very necessity of his growing trade. Therefore he puts a good portion of his profits back into his business, and next year, we will say, with his enlarged factory he turns out $200,000 worth of goods. Now he is able to retain a half of that, $100,000, with which he builds new factories. This process continues until on all sides we have very large and extensive means of production. Ultimately he seeks investments abroad, and the same process is repeated there. One hundred or one hundred and fifty years ago this capitalist system, control of factories in the hands of the few, came into existence, and undoubtedly it has produced most remarkable results in the extension of factory and railway investments all over the world.

But the point is that now we have set up factories in China, in India and in other places, all organized on the same principle, all turning out huge quantities of goods for which markets have to be sought. Mr. Hobson has come to the conclusion—and without doubt he is one of the leading economists in Great Britain—that there is an altogether undue proportion of what is produced put into fixed capital. The workers have not sufficient purchasing power to buy back what they have produced. He suggests that if a larger proportion were put into commodities we would start industry going again. I am giving that theory for what it is worth. It is not altogether the theory that I should like to advance, it is not altogether the theory that is held by

[Mr. Woodsworth.]

the group which I represent, but I give it because it comes from a man of undoubted authority in the economic world.

I think there is one particular in which he is correct—that the ownership of the means of production being in the hands of a few has, as Keynes clearly pointed out in his book, The Economic Consequences of the Peace, enabled capitalists to retain the greater part of the cake which they and the workers in the community have been producing. That has been going on for a good many years, and it has been satisfactory perhaps from the world's standpoint for some time, but we are fast coming to the point where those countries which formerly were the markets for our goods are now becoming our competitors in the manufacture of similar goods. In a word, we are being thrown back upon ourselves, and it is well worth our considering whether from the larger economic aspects we would not, as Hobson has suggested, gain by distributing a great deal more in the form of wages and services than we are doing at the present time.

However, I am not arguing from the larger economic aspects of the question. I am trying to look at the situation from the standpoint of the individual family and of the groups that to-day are living on too small a wage. I would ask that to-night this House should in some way provide means for the discussion of this question and for the carrying out of the avowed purposes of the clauses in the Versailles treaty. Perhaps I may be permitted to quote to the government from a document that I have been quoting to the House pretty regularly at intervals for the last four years. The National Liberal convention in August 1919 put itself on record with regard to labour and industry as follows:

> Resolved that the committee recommends that the National Liberal convention accept in their entirety as a part of the Liberal platform in the spirit they have been framed and in so far as the special circumstances of the country will permit, the terms of the labour convention and general principles associated with the League of Nations and incorporated in the conditions of peace.
>
> These methods and principles for regulating labour conditions so set forth in the treaty are as follows:
>
> 1. The guiding principles that labour should not be regarded merely as a commodity or article of commerce.
>
> 3. The payment to the employed of a wage adequate to maintain a reasonable standard of life as this is understood in their time and country.

I think, Mr. Speaker, that in presenting this resolution and asking that the guarantees of the Peace treaty should be made statutory, I am simply asking that the programme of the Liberal party—now the government of this country—should be carried out.

Mr. A. W. NEILL (Comox-Alberni): Mr. Speaker, I am glad by seconding this resolution to be associated with the subject matter of it. If I had any fault to find with it, I would say that it hardly went far enough. It is too academic in its character:

> That, in the opinion of this House, a wage sufficient to provide for a reasonable standard of living should constitute a legal minimum wage.

I would have preferred something a little more mandatory, or a little more suggestive of action being taken by the government to carry out the purpose of the resolution. I do not think that any employer or any representative of an association of employers, however reactionary they or he may be, could have any objection to the passage of this resolution worded as it is.

I take exception somewhat to the remarks of the introducer of the resolution about there being some dubiety as to whether its subject matter comes under the jurisdiction of the Dominion or of the provinces, for I think that was thoroughly threshed out some four years ago. The question arose then more particularly in connection with the eight-hour law, and it was, I think, decided on the very best obtainable legal authority that it was entirely a matter for the provinces, coming under that section of the British North America Act which gives to the provinces exclusive jurisdiction in dealing with civil rights.

Mr. WOODSWORTH: Mr. Speaker, might I ask the hon. gentleman if this is not a somewhat different proposal?

Mr. NEILL: I think the reference then made covered this branch too, although I would not be dogmatic about it. Now, in British Columbia we are particularly sympathetic with this resolution for three reasons: first, on general principles; second, because we have already taken steps in this direction; and third, because we hope that this may be a solution, or at any rate a partial solution, of Asiatic competition.

An hon. MEMBER: Oh, oh.

Mr. NEILL: My hon. friend laughs because he thinks I could not go very far without bringing in the Asiatics. But perhaps he will allow me to say it is a much more important question in British Columbia than it is in his province. While we hope we may be able to deal with the question of further Asiatic immigration by imposing effective restrictions, the economic competition of those who are already here can, we think, be most suitably met by some legislation along the lines of a minimum wage bill, because if a minimum wage is imposed, the desire to

employ this cheaper oriental labour will cease and possibly will lead to its ultimate elimination.

Now, I am proud to think that the minimum wage bill was introduced in the British Columbia legislature a few months ago by Major Burde, M.C. who represents Alberni in the local House, being part of the riding which I represent in this House. I am not at all afraid of the suggestion made this afternoon, more or less implied perhaps, of the economic ruin and distress that would follow the introduction of legislation of this kind even if it were made universal in Canada in its application to-day. That has been the cry all down the ages. I have read of the terrible prophecies of ruin and financial disaster made in the vicinity of Manchester, when many years ago it was proposed that children under the age of twelve should not work more than twelve hours a day in the factories. A few years ago in British Columbia when the minimum wage measure for women was introduced ,these same prognostications were made; we would lose our business; we would lose our trade, and inasmuch as that act applied only to British Columbia—we were practically pioneers in that line—the other provinces would get ahead of us in every form of industry. None of those dreadful things happened. As a matter of fact the act was administered in a very moderate and reasonable spirit. Moreover, the people against whom or concerning whom it had to be administered, that is the employers, were also moderate and reasonable. Probably ninety per cent of the employers wanted to and did treat their women employees decently and gave them a sufficient wage; it was only the ten per cent who wanted to sweat their women employees at that time, but it is through minorities such as that that these things spread, because people must meet their competitors or go out of business.

So it was found that this act did not work in an unjust way at all and it did not prove to be an undesirable factor in the economic situation. There was one result, however, which was not anticipated; they ran up against the law of supply and demand. It was found that when times were good the wages of these women easily and naturally ran ahead of the legal minimum wage, but when times got bad the law of supply and demand began to operate and it was very hard to enforce. the act. Certain of the employers would take advantage of it, either by frankly telling their women employees that they would have to take less wages or be fired, or they would pay their wages by cheque and make them hand back a certain portion, which was put into some fund, ultimately going back to the employer. On the whole, however, it has been a very good thing, in that it provided for these women a reasonable living wage.

As regards this minimum male wage law introduced into British Columbia last fall I would like to quote a few of the leading politicians of that province from both sides of the House. Hon. T. G. Coventry, a Conservative, supported the bill. Mr. C. McRae, a Liberal, who said he was speaking on behalf of the lumber manufacturers, ended with these words:

> The lumber manufacturers are willing that the industry should be manned only by white labour, and they wished to keep it free from an influx of orientals.

He welcomed this bill as a step in that direction. Brigadier-General Odlum, a Liberal, said that the wages paid in the printing industry would stagger the previous speaker, but despite the high wage the industry was making good progress and a very good class of employee was being attracted to it. He added:

> I support the bill because the lumber industry is one in which orientals are largely employed, and any movement for the reduction of their numbers in our industries is worthy of support.

Then another gentleman, Mr. Bruhn, a Conservative, stated that he was absolutely in favour of the bill, and that he could see no danger in such a bill if carried out under a just and fair board willing to judge each case on its merits both as regards industries and the working man. A vote was taken, and the bill passed the third reading by a majority of 39 to 3. The House there is divided almost evenly between Conservatives and Liberals, with a few Labour members, so that it will be seen that the bill passed almost unanimously. The three who voted against it were composed of one Conservative, one provincial party member and one member whose politics I do not know.

I would like to point out another feature. I have the act in front of me and it is a very simple one indeed, composed of only a few sections. It gives power to the board to establish a minimum wage. It was based very largely on the act passed a few years before—in fact it was based almost entirely on the act providing a minimum wage for women employees. Each industry had a minimum wage, and one board was established, the minimum wage board. They took evidence from the various industries, hearing both employers and employees, and with very little friction and expense they were able to arrive at a decision in each industry which

I think was never appealed from by either side. It was found to work out most satisfactorily. There is a provision in the act for revision from time to time, and I want to point out that the minimum wage for men is going to be operated under that same board, possibly enlarged somewhat, so there will be no confusion and no upsetting of industry, and I think the results will be arrived at easily and acceptably to both sides.

We have heard a great deal about the exodus to the United States and we have heard many remedies proposed to rectify that condition. Did it ever strike hon. gentlemen in this House that a good way to keep an employee is to pay him a better wage? If I have ten men working for me and I am afraid my competitor is going to steal them, the chances are that they will stay with me if I raise their wages and make their conditions more comfortable. I think it was Henry Ford, when he found business getting slack and it was suggested that he cut down wages, who said that they were not getting enough, and he raised their wages with satisfactory results to himself. I am not afraid of the argument that has been advanced, that we will come in contact with the cheap labour of other countries. I think it has been proved that competent labour with the aid of machinery can easily outclass cheap foreign labour. I recall a case a number of years ago when certain manufacturers in India asked for what I suppose we would call protection against a similar class of manufacturers operating in Great Britain. India produces a great quantity of jute, which was manufactured by some manufacturers there, and if I am not mistaken they paid their men a wage equivalent to seven cents in our money. That jute was also shipped to Scotland, to the city of Dundee, where it was manufactured into garments appropriate for India, by fairly well paid British labour. Those garments were shipped out to India, entailing a long water and rail haul, and were able to compete so successfully with the Indian manufacturer on the spot with his extremely cheap labour that they were compelled to seek protection against the Scottish manufacturer. I think it will always be found that well paid, machine-aided, intelligent white labour can successfully compete with the cheaper forms of foreign labour.

I hope this resolution will pass. It is certainly very moderate in its terms and is only an academic expression of our opinion. I think we might well do it if only to make a gesture at least towards fulfilling our obligations to labour as expressed in the treaty of Versailles. Perhaps we forget sometimes that during the war there came a crisis in which the attitude of labour was, we thought, somewhat uncertain. What labour did or thought or said in that crisis was of vital importance to the British Empire and to the successful termination of the war. Labour threw its weight solidly with us in the war, and in return it was acknowledged in framing the treaty of Versailles that some resolution or convention should be adopted recognizing the part that Labour had taken in the war. A number of conventions were adopted, very few of which, however, have been followed up by legislation by the various signatories to the treaty. This is one of them, and I suggest we would not be going very far if we accepted this resolution in recognition of our obligation to labour under that treaty.

Mr. PETER HEENAN (Kenora-Rainy River): In rising to say a few words in support of this resolution, I observe that it calls for a wage sufficient to provide for a reasonable standard of living to be adopted as the legal minimum wage. That seems to me to be getting into the field of provincial rights. It would be difficult, I am sure, to find either in any of the provincial Houses or in this House any man who would say that a fair and reasonable wage should not prevail, and it is not difficult to get resolutions along that line passed, but very little in the way of results follows from the passing of these resolutions unless they are backed up by legislation, such as we have in Ontario, and a minimum wage board is appointed. Like my good friend from Winnipeg North Centre (Mr. Woodsworth), I moved a resolution on the floor of the Ontario legislature in 1924, which read as follows:

> Resolved that it is the opinion of this House a clause shall be inserted in all contracts made by the government for the sale of timber or pulpwood, or for the development of water-powers, providing that the wages to be paid by the concessionaire shall be not less than the wages as are generally accepted as current in each trade for competent workmen in the district where the work is carried out. And when renewals or transfers are made or where the terms embodied in contracts now in existence are not fulfilled, the government shall avail itself of the opportunity to insert such a clause.

To that resolution an amendment was moved by the premier of the province, adding the words:

> —in so far as due regard to vested rights and justice may permit.

As we had no desire to do anything to hurt vested rights or justice, we let the resolution go through with that amendment, but notwithstanding that the resolution was carried

by the Ontario legislature and thereby became an order of the House, although there have been some timber contracts and water power leases made since then, I am informed that this clause has not been included in any of them, I mention that just as an illustration of how resolutions of this kind passing the House promiscuously will accomplish little unless they are backed up by legislation, except, of course, that they do serve to express the opinion of the House.

I shall not take up the time of the House further, because I think my hon. friend from Winnipeg North Centre has covered the ground very fully. In order to get somewhere —because there is a question here of disputed jurisdiction and authority—I think the government should accept the suggestion made by my hon. friend and refer this matter to the committee on Industrial Relations. I realize, of course, it is difficult to refer a matter to a committee which is not yet in existence, but probably the leader of the government can find some way of deferring the discussion or adjourning the debate until after the committee has been constituted, and then this question could be referred to that committee.

Hon. J H. KING (East Kootenay): I do not think any of us will take exception to the wording of the resolution proposed by my hon. friend from Winnipeg North Centre (Mr. Woodsworth):

> That in the opinion of this House a wage sufficient to provide for a reasonable standard of living should constitute a legal minimum wage.

As my hon. friend has outlined to-day to the House, during the negotiations preceding the Versailles treaty, when the representatives of the different nations assembled in solemn conference were trying to arrive at resolutions or formulae that would improve conditions in the world, much time was given in trying to realize the desire and hope that out of that great conflict there would come better conditions for Labour. That conference did express the firm desire that in the different countries concerned this principle should prevail:

> The payment to the employed of a wage adequate to maintain a reasonable standard of life as this is understood in their time and country.

That is from article 427 of the treaty. My hon. friend to-day has kept his wording pretty much within the limits of the principle there laid down. It is true that in the Dominion of Canada this question is not a new one. In seven of the provinces we have the principle accepted and a minimum wage law applied to certain classes of female workers. Among those provinces we find both the older and the new provinces—Nova Scotia, Quebec, Ontario, Manitoba, Alberta and British Columbia. British Columbia has gone probably a little further than the other provinces, for not only have we a minimum wage for certain classes of female workers, but we have also gone into the field of male workers, particularly in the lumber industry.

But the question is, how shall we arrive at our object, and what are our powers? A reference was made to our courts and in June last a decision was given which set out the powers relative to hours of labour in industrial employment. The judgment set out that the legislative authority on this subject belonged to the provinces, that if the power to legislate for an eight-hour day is vested in the provinces, presumably the latter are wage matters. That having been decided by our courts and the provinces having already moved in the matter, and having set up minimum wage boards dealing with certain classes of labour, the field is cleared to some extent. It is, I think, conceded on all sides that this is a provincial problem. Personally I do not think there would be any harm—in fact much good might come from the suggestion of the mover of the resolution in this respect—in an adjournment of the debate, and later, when the committees are formed, a reference of the resolution to the committee on Industrial and International Relations. It is a subject that would stand inquiry and investigation by a committee of this House, although this parliament would not necessarily be committed to legislation along those lines. Our committees are not yet constituted, but they will be within a few hours, and I would suggest that that course be followed. I now move the adjournment of the debate.

Motion agreed to and debate adjourned.

FUEL SUPPLY

MOTION FOR COMMITTEE OF INVESTIGATION

Mr. J. E. ARMSTRONG (East Lambton) moved:

> That in the opinion of this House, attention be given to the development of the coal resources of Canada, and the delivery of this product at the lowest cost, in order to meet the urgent need for this fuel for manufacturing and domestic uses; and
>
> That a committee composed of members of this House be appointed to investigate our present sources of supply of anthracite and bituminous coal. The dependability of such sources, and whether the prices paid by the Canadian consumer is fair and reasonable, and to also inquire as to the methods of mining and delivering Canadian coal in the best and cheapest way to all parts of the Dominion, for the purpose of giving employment to our workmen, freight to our transportation companies, and thus effecting a saving of money now spent for this commodity in other countries.

He said: Mr. Speaker, the resolution is one that deserves the consideration of every member of this House. There is no question as to the need of the development of our coal resources. Next to the United States, Canada has the largest coal reserves in the world. Their exploitation is in its infancy. The extremes of our east and west have large coal fields. Central Canada, the area where the need of coal is acutely felt, holds the key to the situation. This area, comprising all the province of Ontario and that part of the province of Quebec from the Ontario boundary east to Montreal, is the centre of the Canadian manufacturing and population density. Its main source of fuel for a long time has been the coal fields of the United States, which are nearer to it by rail and water routes than the coal fields of western Canada, or those of New Brunswick and Nova Scotia in the east. We have only to look for a few minutes at the facts contained in the Statistical Year Book to convince us that the coal mines of Canada contain an unlimited supply of fuel suitable for our needs, and that the only problems to be solved are those of transportation and the regulations governing the mining and handling of this product, including its proper standardization and analysation. The Canada Year Book at page 26 contains the following statement:

Canada's coal resources are only now being exploited to any considerable extent, the estimated total reserves available amounting to one trillion, two hundred and thirty-four billions, two-hundred and sixty-nine million, three hundred and ten thousand metric tons, approximately one sixth of the world's reserve; over eighty-five per cent of the Canadian reserves are in Alberta. The total estimated reserves constitute one-quarter of the amount of coal available in North and South America.

Then again on page 62 this statement appears:

The anomaly of this situation is heightened if we consider that Canada's present coal consumption is about thirty-five million tons annually as against reserves of one trillion, two hundred and thirty-four billion two hundred and eighty nine million metric tons, sufficient for an unthinkably long period at the present rate of consumption. The coal production in 1923 amounted to 16,990,571 tons, valued at $72,058,986, or an average of $4.33 per ton. This represented an increase of 1,833,140 tons or 7.8 per cent in quantity as compared with the previous year. The production was obtained by mines in which were employed on the average of 30,300 men at a wage cost of approximately $42,321,990.

Referring to the production during 1923, Alberta held the first place among the coal-producing provinces with an output of 6,854,397 tons; Nova Scotia followed closely with 6,597,838 tons; the output of coal from the mines of British Columbia and the Yukon amounted to 2,823,619 tons, while Saskatchewan mined 438,100 tons and New Brunswick 276,617 tons. During 1923, 22,687,320 tons of foreign coal were imported into Canada. Had four-fifths of this amount of coal been obtained from Canadian mines, over $100,000,000 would have been left in Canada. Thirty-five thousand men would have had employment at a cost of some $50,000,000, and our railways would have benefited by the additional traffic. Canada spends annually from $120,000,000 to $135,000,000 for coal produced outside her own territory.

I am well aware that efforts have been made by former parliaments, both local and federal, to deal with the Dominion fuel situation. A committee composed of members of this House, was appointed in 1923, and a committee composed of members of the Senate was appointed in 1923 for the purpose of investigating this matter. Although they gathered a lot of information, no definite action has been taken. It might be well to place on record a few of the findings of these different committees, and in order that we may appreciate the fact that the only source of information we have through the Printing Bureau is found in the report of the two committees in question, which I intend to refer to, I will read the following letter from Mr. Acland, King's Printer:—

I beg to acknowledge the receipt of your communication of the 11th instant and to enclose herewith a copy of the report of the special committee of the House of Commons on mines and minerals, dealing with the question of the Canadian fuel supply. Also a copy of a report of the report of the special committee of the Senate on the same question. These reports are dated 1923, and are the only ones in our possession dealing with the fuel question.

Now if we will look at the report of the select standing committee on Mines and Minerals of the House of Commons, page 7, we find the following statement:—

Your committee has heard much evidence from various parts of Canada on every phase of the questions sumitted to it in said resolution. One statement may be made without any hesitation, that is, that it is absolutely necessary that every step possible should and must be taken at once by Canada through its government, its transportation companies, its coal operators and manufacturers of other fuels, to make Canada independent of other countries for its fuel supply. The economic question alone should move all Canadians to put forth every exertion to attain this object. Canada cannot for long continue paying to foreign countries millions of dollars yearly for fuel and hope to maintain its economic independence. One has only to consider this for a short time to see where such a condition will ultimately land us. Yet another consideration along this line is the fact that the United States, our chief source of supply, could not last year give Canada the usual supply, and many cases of extreme hardship and suffering were brought to the attention of the committee through lack of domestic fuel. No fault, however, can be found with the United States Fuel Control Board for this short-

age, as they treated Canada fairly, but a note of warning was sent out by the fuel board last winter, which should be taken to heart by Canadians. That was in effect that Canada could not hope in the future to get the usual supply of anthracite from the United States.

Your committee is able to point out from the evidence adduced that Canada has ample resources of coal for all purposes for ages to come. The chief sources of supply are in Nova Scotia, New Brunswick, Alberta and British Columbia. One fact struck your committee very forcibly, that is, that a large percentage of the population of central Canada have strange delusions regarding Canadian coal; they think we have no suitable domestic coal. What is wanted in this connection is propaganda, an advertising throughout Canada of the true value of Canadian coal and in this connection your committee would like to point out that up until two years ago the fuel needs of Winnipeg were supplied to the extent of 85 per cent by United States anthracite. Through the continued efforts of the Alberta government and coal operators 90 per cent of the Winnipeg coal needs are now supplied from Alberta.

The committee goes on to emphasize the fact that the time has come when the government should act in connection with this matter and take immediate steps to bring about a remedy for the situation complained of.

The special committee of the Senate appointed to inquire into the matter of the fuel supply of Canada, in their final report make these statements:

There is an abundance of evidence to the effect that the coal areas of Canada, east and west, are sufficient to supply the fuel needs of our entire population for an indefinite period of time. In other words there is no shortage of coal in Canada, neither is there a lack of developed mines. A large percentage of the collieries now in operation—more particularly those in western Canada—are capable of increasing their output to a very considerable extent with little or no capital cost, and would undoubtedly do so if markets for their increased output were available. In the coal fields of the east, the situation is somewhat different. Many of the mines of that area would not be able to increase production to any material extent without the expenditure of very large sums of money on capital account.

As regards Nova Scotia coal your committee are of the opinion that central Canada in the future may be able to secure a much larger share of its requirements of bituminous coal from that source provided navigation, storage, handling and shipping facilities west of Montreal are improved.

Your committee is impressed with the necessity of having this phase of our fuel problem more thoroughly investigated and recommends that the Dominion Fuel Board should continue its investigations along this line.

They continue to emphasize the fact that immediate action should be taken and make statements such as this:

To a certain extent anthracite coal may be regarded as a luxury, and the sooner the public realize this fact, the less danger there will be of being haunted by the nightmare of a coal famine.

During the recent emergency period considerable anthracite coal was imported from Wales and Scotland and is still being brought in. The Fuel Controller of Ontario gave evidence to the effect that this coal is of the highest quality and is worth at least $3 per ton more than the ordinary grades of United States anthracite. To the extent that this British coal is imported, our dependence on United States anthracite is lessened, and ocean tonnage for our exports is increased.

[Mr. J. E. Armstrong.]

This report merely emphasizes, as I said before, the fact that the government should take immediate action along the line of trying to solve this very important problem. The Dominion Fuel Board created by the Canadian Government has done much useful work, but their powers are limited. Premiers of provinces and fuel controllers in those provinces have made an earnest effort to solve the fuel question. Members of parliament and senators have met with fuel controllers in the different provinces for this same purpose. I will not take up the time of this House reviewing the work already done, but the facts are that no definite action has been taken by any government and we are still dependent on our southern neighbours for our winter warmth and our industrial fuel.

It is highly desirable that a policy should be adopted which will ensure Canada against dependence upon the present precarious source of her fuel supply. It is a matter that vitally affects every home in Canada and every industry in Canada, hence every member of parliament should be actively interested in it. It is not for any one group or party in this House to undertake to solve the problem, nor is it a question for provincial governments alone to deal with, although they can materially assist. The Dominion government cannot shift the responsibility to local governments; local governments could not control the situation and months and years would go by with nothing accomplished. We have just passed through a crisis in relation to the coal question which might very easily have become a calamity. The Dominion parliament must recognize the importance and seriousness of the Canadian coal situation and regard it from the standpoint of a national emergency. If parliament will form a committee composed of eleven members of this House, one from each province, two from Ontario and two from Quebec—these provinces, owing to their large population, being the most vitally interested—and will give that committee a wide scope in their investigation of the problems outlined in my resolution, I am firmly convinced that parliament could be supplied with important data regarding this problem. This committee should frame recommendations for a national fuel policy to be considered by the Canadian and provincial governments, with their experts on transportation and co-related activities, before any definite action be taken.

It would be the duty of this committee to consider the various phases of the fuel situation, as it affects producers and consumers. The rights of the consumer must be adequately safeguarded. No company should be able to palm off low quality fuel, or give stones to those who pay for coal. The most pressing need of this industry to-day is transportation. The Dominion government will have to take responsibility in this matter.

I am fully persuaded that with a proper policy of co-operation and the working out of a programme of transportation such as this committee would present to parliament, a solution of this problem could be reached. Failure to grant the request will mean years of delay. In order that a satisfactory settlement of this question may be brought about, co-operation between the local and Dominion governments must be attained, and the basis of all arrangements should be mutual confidence and mutual goodwill. I am fully persuaded that with a proper policy of co-operation between the local and Dominion governments and between the public and the industry, this problem can be solved with mutual advantage to all. Unified control is the most economical method—the only method, in my opinion—of supplying the central provinces with fuel from the east and west. For instance, if the mine owners are at liberty to increase the price at the mines beyond a reasonable amount, or the transportation companies raise their rates, then the whole structure falls.

The fuel controllers in the different provinces will be useful witnesses as to actual conditions. The premiers and ministers of mines of the various provinces should have an opportunity to express their views before the committee, as well as other prominent men who are interested in this problem. The meetings of this committee should not be held especially for the cross-examination of witnesses, but to receive information tendered in a co-operative spirit. In other words, the committee in making this inquiry is seeking no victims for its wrath but seeking information as to the probable trend of the coal industry, the methods needed for its protection and advancement, and the possibilities which the future may hold for its development. The committee in preparing its report for the government should have the views of a number of leaders in this industry and those connected with transportation companies.

In the second paragraph you will notice I ask that the committee investigate our present sources of supply of anthracite and bituminous coal, the dependability of such sources and whether the price paid by the Canadian consumer is fair and reasonable. This will be an easy matter for the committee to handle, and one in which the officials of this government would be asked to assist, along with the officials of our local governments. With the enormous supplies of bituminous coal, coal that belongs to the people of Canada in our eastern and western provinces, we can depend upon a supply of domestic fuel. Bituminous coal is the only heat producing material of which we have an adequate supply to provide for a long time in the future. Our people should also remember that anthracite coal can no longer remain the mainstay of the Canadian household. Even if the supplies were continuous, it is insufficient. The output of the anthracite mines has remained stationary for many years, in the face of a growing population dependent upon it, and during the last ten years the price has nearly doubled, adding to the domestic fuel bill of the people of the United States an amount estimated at forty million dollars a year and many millions to the fuel bill of the people of Canada. Within the next ten years we must replace a large part of our present anthracite coal supply with some other form of heat. Sooner or later we must learn to manage without anthracite, and the sooner we learn to use other fuels the better. Competition must be introduced into an industry where monopoly is threatened. Fuel oil has during the last few years promised an avenue of escape, but at best this can only be temporary. We must look elsewhere.

I have in my possession enough material to convince any serious-minded man that the Canadian people have passed through a serious crisis owing to the shortage of coal. We must remember that eastern Canada's present annual coal requirements amount to about twenty million tons, and if it were transported from the west it would be equivalent to transporting an additional 600 million bushels of grain from west to east. Arrangements for the transportation of this immense quantity of coal could not be made in a few months. Could Canadian coal be utilized we would help Alberta and Nova Scotia and save for Canada annually very large sums which now go to the coal barons of the United States. The last part of the resolution reads:

And to also inquire as to the methods of mining and delivering Canadian coal in the best and cheapest way to all parts of the Dominion, for the purpose of giving employment to our workmen, freight to our transportation companies, and thus effecting a saving of money now spent for this commodity in other countries.

The latter part of this paragraph is an accepted fact, providing that we can solve the first part, that is, to inquire into the methods of mining and delivering Canadian coal in the best and cheapest way to all parts of the Dominion. A plan to assure purchase of stated amounts of Alberta coal and to bring it to central Canada at a rate that will allow of an attractive selling price for home or factory is conceded to be the need of the hour. This is a problem to which the Alberta and Ontario governments are giving their attention. They cannot definitely settle it without the aid of the Canadian government. One of the first questions that should come before the committee is the question of water transportation of coal from Nova Scotia to Quebec and Montreal, including loading and unloading facilities at the points named.

Another matter that should receive the early attention of the committee is the handling of Alberta coal by lake and rail. I have given a great deal of personal attention to this phase of the question and believe that I am in a position to place before the committee indisputable statements that will completely change the preconceived idea that we must look to the railroads alone to solve this problem of transportation. The railroads will be expected to handle the coal from the Alberta mines to the head of the lakes, under improved transportation facilities. By the use of car tipples coal can be unloaded into boats at the rate of forty cars per hour, and if the capacity of the cars is from 50 to 75 or 100 tons a boat will be loaded in a few hours. The machinery for the unloading of coal from cars into boats has been greatly improved during the past few years and the likelihood of loss through the disintegration of coal has been largely eliminated. The coal is taken from open cars to a closed vessel and not exposed again or jarred as it would be over the railroad, owing to the starting and stopping of the trains. This coal if taken to Ontario ports by boat could be unloaded by the most improved machinery very quickly, and at a tremendous saving to the people.

I am credibly informed that coal can be loaded at Port Arthur and Fort William, and delivered by boat to such ports as Midland, Owen Sound and Goderich on lake Huron at less than one dollar per ton; that the same coal can be delivered at Sarnia, Wallaceburg, Windsor and lake Erie ports at $1 per ton from Port Arthur and Fort William; and at Hamilton, Toronto and Kingston at a little over $1 per ton from the same ports. Midland is 90 miles from Toronto by rail and cars can be loaded direct from the boat. Other ports could be used in a like manner for inland delivery.

Consider the tremendous saving in freight, why should this not be investigated? And what better means of investigation than by a committee composed of members of this House? This proposition will require the expenditure of public money for the building of the car tipples and unloading devices, and perhaps the fitting up of some of our merchant marine vessels to carry the coal. We have spent millions, yes, tens of millions of public money, in building public docks, piers and elevators, for the handling of grain. Why not a little to help bring Alberta coal to Ontario and Nova Scotia coal to Quebec? Private individuals or companies will not undertake this work, nor will provincial governments do it. It is for this government to undertake it, and the committee will show the way.

Let me give you a few facts to support my arguments. Ninety per cent of the people in the state of Michigan burn bituminous coal similar to the Alberta coal. Boats from Toledo and Cleveland supply nearly all the ports between Detroit and Duluth in the United States, and even carry coal to Port Arthur and Fort William. Twenty-six million long tons of coal were carried by boat up the lakes from Cleveland and 28,000,000 tons were carried by boat from Toledo.

The Pringle Barge Line Company, whose headquarters are at Cleveland, Ohio, carries all the coal used by the Imperial Oil Company of Sarnia, the Morton Salt Company of Port Huron, the Edison Electric Company of Port Huron and the Diamond Crystal Salt Company of St. Clair. These four firms use in excess of half a million tons of coal per year, and each of them is equipped in a crude way for unloading to their docks and sometimes the boats are delayed. Mr. Pringle says that he has a contract running over a term of years with these firms, and for the purpose he is having one of his boats equipped with a self-unloading conveyor so that he can go to any port and unload his own boat.

This conveyor system installed in the boat seems to be an excellent plan, as no further equipment on the dock is necessary to unload vessels. The conveyor bucket system does not break the coal up nearly as much as using any other type such as clam shell.

The Morton Salt Company of Port Huron, Michigan, make this statement:—

The cost of unloading boats depends on the style or shape of the boat. For instance, we use a Mead-Morrison unloading rig with a three-ton clam. We have unloaded some boats for less than 3 cents a ton; others have cost as high as 5 cents or 6 cents, due to the trimming necessary to transfer the coal to where the clam could get at it. Then, the size and style of

[Mr. J. E. Armstrong.]

the unloading rig have a lot to do with it, and if an automatic trimmer is used, it reduces the cost materially, for the greatest cost is in the trimming.

Mr. Thomas Draper, Port Huron, Michigan, well posted in these matters, says:—

Last week while in Cleveland I had an interview with Mr. J. P. Doyle, Sales Manager of the Pittsburg Coal Co., Cleveland. This firm is one of the largest distributors of coal in the United States, having fleets of tow boats and barges on the Ohio and Mississippi rivers and also many boats on the Great Lakes. Mr. Doyle stated they generally load their boats with the car dumpers which are installed at the different lake Erie docks and they unload with the McMyler whorlies. These are of all sizes, from 2½ to 5 ton. He showed me several statements where vessels of 5,800 to 6,000 tons were unloaded to cars or docks at an average cost of 9 cents per ton. These whorlies swing on a radius of about 54 feet. He further mentioned that at Algonquin and Soo docks, where they unload a great deal of coal, they use 2½ ton whorlies which they run almost constantly during the 24 hours, and at these busy points the cost of unloading is about 7 cents per ton. I have further information that most of the stone boats unload very much cheaper than this by means of a conveyor system the same as the Pringle Barge Lines are installing for the coal trade in the St. Clair river. This latter plan does not require any machinery on the dock as the boats can run it into any dock and unload with their own machinery.

The railroads claim that the lowest rate coal can be carried from Alberta points to points in Ontario is $9 per ton. The National Railways this year agreed to bring 25,000 tons at $7 and did bring 18,000 tons, which was distributed to about 180 different localities in Ontario and shipments were then discontinued until after western grain had been moved. However, the lake and rail haul is feasible, and it would, of course, be cheaper than all rail. Port Arthur and Fort William are about 1,200 miles from Edmonton, while Toronto is 2,000, and coal ought to be carried to the head of the lakes for three-fifths of the through rate. Taking $9 as a basis, I consider that coal should be carried to the head of the lakes for $5.40.

In regard to cost of the lake haul, United States coal is now carried from lake Erie points to the head of the lakes at 60 cents per ton, exclusive of 5 cents for loading and 10 cents for unloading. Iron ore from Duluth to lake Erie ports is carried at $1 per long ton of 2,240 pounds, and as most of the vessels carrying ore down the lakes return light, a one-way cargo at $1 per ton evidently pays all expenses. The grain rate from Duluth to Buffalo is 1½ cents per bushel or 50 cents per ton.

I am advised by marine experts that if $1 per ton were offered on coal, Port Arthur or Fort William to Georgian bay, Windsor or lake Erie points, it would be the best paying freight on the lakes and be very attractive to vessel owners. From the figures I have it may be assumed that a rail-and-water rate on Alberta coal should be less than $7 per ton, made up as follows:

Edmonton to Port Arthur..	$5 40
Loading to boat..	10
Boat charge..	1 00
Unloading..	10
Total..	$6 60

I have gone very thoroughly into loading and unloading methods, and can report that up-to-date coal dumpers, including graded trucks, capable of dumping 2,000 tons per hour could be installed at a cost of from $400,000 to $500,000, and these would dump gondola or any kind of open cars. There are already a number of ports on Georgian Bay, as well as Sarnia, Windsor and some lake Erie ports, that are equipped to unload coal.

I have obtained information with regard to the loading system of the Hocking Valley Railway at Toledo, where two coal tipples last year, up to December 11th, transferred from cars to boats more than 8,000,000 tons of coal. Each of these tipples has a capacity of 2,000 tons per hour rating on 50 ton cars, but this is greatly increased when they dump 60, 70, 80, 90 or 100 ton cars, as they take no longer to dump than 50-ton cars. On this average for the season, it costs less than 5 cents per ton to transfer from cars to boats. During the loading of the steamer Henry Ford at the Baltimore & Ohio docks in Toledo recently, the actual time of dumping a large gondola car was about one and a half minutes, and it takes about the same time to handle the cars on and off the tipple, so that the capacity of this tipple is about 40 cars per hour.

We collect $135,000,000 of Canadian money and send it to the United States for coal. What do we get for it? Then we collect from our people another $135,000,000 to send again to the United States next year. And so the grind goes on while our miners and their families are starving and our resources lie undeveloped.

Would not this Dominion government be justified in spending a million dollars in equipping two unloading docks at Port Arthur and Fort William, and another million for large gondola cars for the special coal traffic? This would mean increased labour for Canadian railroad men, Canadian steamboat employees and Canadian coal miners of the West. The latter would have an all the year trade, instead of for only a few months as at present. If this arrangement could be worked out, the mine owners would soon reduce the cost of mining, for their overhead would then be spread over an entire year instead of a few months as at present, and the miners would take less wages for steady work all the year round.

Our western provinces have learned the lesson of carrying anthracite coal by lake and rail to Winnipeg and the west. It was like carting coal to Newcastle as the great province of Alberta is practically undermined with coal. Ninety per cent of the coal now used in Winnipeg comes from Alberta. And then in the east we have the province of Nova Scotia which has enormous mines of coal capable of supplying the eastern provinces for ages to come.

We might well ask: If grain and cattle can be carried at preferential rates from the western provinces, why cannot coal be granted the same rates?

Let me quote the Montreal Star of February 6, 1926:

Winnipeg, Man., Feb. 6th. Roughly speaking one and a half per cent of the 195,637,112 bushels of grain shipped by the Canadian Pacific Railway since the opening of the season, August 1, 1925, to January 31, 1926, went by the all rail route or exactly 3,182,198 bushels. About one-eighth or 30,216,134 bushels travelled out through the port of Vancouver and all the remainder, or fully 85 per cent, was shipped via Fort William. Figures to this effect were issued by the Canadian Pacific transportation department.

This is an interesting statement, proving the advantage of lake as well as rail transportation. If grain can be so carried, why not coal? The same boats could be used for both. If 75 per cent of the wheat can be carried by lake and rail, why not coal?

Mr. MANION: Has my hon. friend any figures on the cost of handling coal from the head of the lakes to lake Huron and other ports?

Mr. ARMSTRONG (Lambton): I have given that information in a definite statement to the effect that it should not cost one dollar per ton to all the ports along lake Huron, and that it should not exceed one dollar a ton to all the ports along the St. Clair river and lake Erie. Coal could be taken through the canals to Toronto for very little over one dollar per ton. Does that answer my hon. friend's question?

Mr. MANION: Yes.

Mr. ARMSTRONG (Lambton): The manufacturers of the United States and Canada have partly solved their fuel problems by transferring the business of supplying power from the industrial manufacturers to the great electric power companies. The result of this move has been highly satisfactory. The great electric companies can manufacture and deliver power far more economically than the industrial plant because of the magnitude of their operations. Many of the great power companies in the United States are deeply interested in the coal mining business.

In the United States to-day there is a movement towards consolidations within the industry. Within the past few weeks a merger of fourteen big coal properties in eastern Kentucky, southwestern Virginia and west Virginia has been formed into a $10,000,000 combination—small compared with other mergers, but a straw which shows the direction of the tide.

Then there is a growing tendency in the United States for the users of coal to make sure of their own supply. It is apparent all along the line, from steel mills to the latest combinations, that of electric companies which produce electricity by the use of coal. This may in the near future bring about a complete dismemberment of the industry and its apportionment in amounts large and small to the industries to which it furnishes power.

Another question we should take into consideration is that industrial expansion in the United States is making a problem of transportation. The western states are becoming more industrialized and populated. These states in the future will require more coal and will be up against a similar problem to that of Canada in transporting fuel long distances.

It is possible that the consumption of coal could be reduced by extending hydro electric power to replace some of the present uses of coal. But it must also be taken into account that the hydro electric situation in the province of Ontario is acute, and that in the near future, unless the coal users can take off the peak power, there will not be sufficient available power, especially in western Ontario. For some years past the Hydro Electric Power Commission of the province has had under consideration the building of coal burning plants in order to assist in furnishing additional hydro electric power. Should the manufacturing industries of Ontario increase their output to any great extent within the next year or two, the hydro electric power situation would become more serious and the commission would be compelled to establish coal burning centres in order to supply the needs of the people and their industries. The water power used in 1924 in Ontario represented 7,800,000 tons of coal, which would have added to the complicated fuel situation if coal alone had been the source of power.

The Dominion government at the last session passed an act granting a subsidy on coke manufactured from Canadian coal. While this legislation has only been taken advantage of to a limited extent, it is a question that should be considered by this committee.

Nearly all the large coke producing plants in the cities of Ontario and Quebec at present use United States bituminous coal. I have asked several gentlemen connected with these firms why they are not using coal from Nova Scotia or the west. Their answer has been that they have not been able to obtain a sufficient supply from Alberta at prices which they considered reasonable; and from what I can understand the coke producing plants, such as the gas companies in Quebec, Montreal and Ottawa claim that the coal produced in the province of Nova Scotia contains too much sulphur for them to manufacture a suitable gas to be consumed in the cities before mentioned. This question should also be investigated, as it has been a somewhat easy matter for the sulphur in natural gas to be eliminated before it is passed on to the consumer. This condition might be overcome in a similar way by the gas companies.

In several of the states of the Union gas companies have been active in developing the coke market. If this product is skilfully produced, handled, sized and marketed, coke can be sold at nearly the same price as anthracite. If the full possibilities of this market in our cities were developed and the proceeds of coke sales deducted from the cost of gas, the consumers of gas would be greatly benefited.

The Nova Scotia coal has I understand, received several criticisms at the hands of the gas companies in Montreal, Quebec, and some Ontario cities, owing to the fact that the gas has a large amount of sulphur in it. In western Ontario we produce natural gas in large quantities.

A few years ago the gas company that supplies most of the small cities in western Ontario with gas, installed a purifier near the source of production of natural gas. This purifier has been capable of eliminating practically all the sulphur from the gas, adding greatly to the comfort of the users of this product. I have wondered why the cities using Nova Scotia coal could not carry out a similar idea in regard to the eliminating of sulphur from the gas produced from Nova Scotia coal.

There are world-wide symptoms that competition in the business of mining and supplying coal for industrial and domestic uses is producing many evils and that some measure of public regulation is necessary. I am convinced that before the Dominion government can get command of a proper supply of coal from both the eastern and western provinces it will be necessary to receive from the local governments of these provinces some definite assurance that the coal mined for sale in the central provinces shall be of a certain standard and carefully analyzed, that these standards shall be regulated and complied with by the mine owners, and that regulations of the most stringent character shall surround the mining and delivering of this coal. Some effort should be made to stabilize these industries and see that the people in the central provinces are supplied with the best grades of coal available at the lowest possible cost. The coal mining and coal distributing companies could continue to operate and compete much as they do now, but their market should be stabilized and the public should know the name and grade of coal they are using. In this way profiteering could be controlled.

The transition of central Canada from the using of anthracite coal to bituminous coal as its source of domestic heat can thus be brought about. It seems almost inevitable therefore that as we shift from hard coal to coke and bituminous coal that we should learn to buy coke by measure and not by weight. This is a question that will require legislative action. Coal has been almost exclusively sold by the ton. It is the method to which we are accustomed, and it would inconvenience us to be forced to change it. But if the idea which I have suggested should be carried out, it would be found that the capacity of coke to absorb moisture is so great as to make it practically impossible for anyone to sell it by weight with commercial honesty. Let this investigation have as its aim a desire to help and not to criticize. These should be some of the purposes of the inquiry.

While it is true at the present time many homes in Eastern Canada are being heated by by-products taken from crude oil, the time is not far distant when commercial conditions and costs will outlaw these products as not economically serviceable for heating purposes. When that time comes the western states will be as badly in need of coal as central Canada is now.

Another important question for the committee to investigate would be an anti-dumping law, as to whether it would stabilize the Canadian industry by eliminating the bargain sale tactics of the coal exporters of the United States. Another question to be investigated would be the wisdom of revising the scope of the Dominion Fuel Board, giving it a national viewpoint instead of a sectional one as at present. Make it or somebody responsible for the development of the policy which the government would enun-

ciate. Give this board a commercial object instead of a technical one; make it the distributing centre for educational work. Hydro electric has been devolved into what it is in Ontario under provincial control. A Dominion fuel board should be able to function likewise and show equally profitable results on a fuel policy.

We as legislators have a vital interest in this question, and it is the duty of every member to lend a helping hand in order that this committee should proceed with its labours with despatch and a determined effort to solve this great problem. The citizens of this Dominion are tired of paying the United States $120,000,000 annually for fuel. There are people, and I believe them to be in the majority, who have expressed themselves very strongly, that they do not believe in sending millions of dollars into American coal fields and leaving our own mines undeveloped, thus increasing unemployment in our own Canadian mining districts. These same people have a strong desire to use Canadian as well as foreign capital to develop Canadian industries and to utilize as much as possible Canadian raw material, Canadian labour and Canadian transportation in the developing of the same. By following out some of the ideas which I have suggested the time is in sight when the present demoralized condition in the coal industry will end.

Mr. W. F. MACLEAN (South York): Mr. Speaker, I am very much interested in the question now before the House, first of all by reason of the discussion brought about by some of the representatives from the Maritime provinces. Among the grievances to which they drew the attention of this House was the question of their coal mines, and the necessity of having this parliament or someone do something for the development of those mines. No sooner did I hear their speeches than I addressed myself to a very prominent gentleman in Nova Scotia. I am not going to name him to-night but later on I may do so after obtaining his consent. I told him something that had been impressed upon me in connection with what Ontario had done in the way of producing electrical energy from water power. I gave him something of a suggestion which I made to Ramsay MacDonald when he came into office in England a few years ago. During the course of some correspondence I had with Mr. MacDonald I suggested that if he could not produce electrical energy in England for the industries there was another thing he could do, and that was to generate electrical energy by batteries of boilers at the pit heads. He could produce in this way electricity by steam and distribute it all through the kingdom. He was impressed by that idea, but other work came along; he had to assume a great responsibility when he became Prime Minister and he passed this question on for the time being. But Mr. Baldwin, when he came into power, took up this proposal of generating electrical energy by steam plants at the pit heads, and he is going to make a great success of it.

This gentleman in Nova Scotia to whom I wrote replied to my suggestion last week. He said, "I have long thought of that, and we should have had it years ago. We have not got it yet, but have wasted our time trying to develop electrical energy from the watersheds of Nova Scotia, which do not amount to anything." He said they had spent thousands and millions of dollars in trying to develop water power from those useless watersheds. But this gentleman did not say he was prepared to take it up. However, I made that suggestion to him and I make it now to the people of Nova Scotia. What Nova Scotia ought to do to-morrow is to say that it is going to develop enough power by steam plants at the pit heads to supply every farm and city house with light and every industry with energy. They could develop that power almost as cheaply as it is generated by water power in Ontario, and in that way they could make themselves independent of all the world, so far as power is concerned. I believe this gentleman is thinking it over now and talking about it with some of his friends. I went on to tell him that everyone knew they had great coal mines in Nova Scotia, but that they had made a mess of them to date. I suggested that those coal mines be nationalized as water power has been in Ontario. The moment that is undertaken the people of Nova Scotia should get in touch with the other provinces. I make this pledge on my own account and for my own province of Ontario, that we are ready to-day to make a contract with the coal mines of Nova Scotia for a large amount of coal, provided Nova Scotia mines it and gives employment to her own people, with fair pay and good houses to live in, and provided the coal is delivered in the season of navigation by boat to Toronto, not only for Ontario but for Quebec as well. We are the two nearest provinces, and I think I could almost pledge that Quebec would join with Ontario to-morrow in making contracts with Nova Scotia for a supply of coal for these two provinces. And what goes with it? If you undertake to mine the coal and have it ready for sale, you can do another thing. Coal is worth twice what it is worth

to-day if you coke it before you ship it. The by-products from the treatment of coal to-day are of enormous value, with the dye industry and several other industries dependent upon them. Nova Scotia could get on her feet immediately if she started to develop what she has got at home. She has enough coal at home to supply all the demand of Ontario and Quebec for years, and Quebec and Ontario are ready to buy from her. But she has to find out what she can do. She has to make negotiations with these two provinces west of her, and I believe Nova Scotia will be able to ship this year sufficient coal to Ontario and Quebec to supply the whole demand of these two provinces. But the coal must be moved during the season of navigation. It is no good to bring coal from Nova Scotia by train when you can bring it at one-third the cost by water.

Do you know what science is doing to-day with frozen rivers? Science is finding a way that will enable us within five years to keep open the Welland canal and the Soulanges canal for at least ten months in the year.

Mr. ROGERS: And the Hudson bay?

Mr. MACLEAN (York): I will leave that to the hon. gentleman; it is his favourite topic. I have my information from scientific men, and the experiment is being carried on to-day in connection with the gorge at Pittsburg. We can bring all the coal we need in Ontario and Quebec from the Martime provinces by water, and that is the cheapest transportation in the world.

As to bringing coal from Alberta, I believe in that, but that is a larger proposition. It involves part water transportation and part rail. There is a solution, but I am not going into it now. I am simply calling the attention of the House and the country to what can be done by co-operation between Ontario and Quebec and the Maritime provinces, involving the making of a decent contract for next winter's supply of ocal—and of course any contract we make with our sister province we must stand by, because as soon as the United States find that these two provinces are getting together with Nova Scotia they may lower the price of American coal. It is by the provinces standing together and being Canadian, and helping out Canadian industries that we shall achieve a solution of this problem. I ask the Prime Minister, now in his place here in the House, and we are all glad to see him here under certain conditions—I think that is the feeling of the whole House—to give a lead on this question and at least appoint the committee that has been suggested

Speaking of committees, here we have been in session for two months, and we should have had parliamentary committees already working on a number of things—on this coal problem, on the banking problem, on the railway question and other problems. But we have not done it. I am not in favour of this parliament being sent back home after passing a little bit of legislation. I am in favour of this parliament here and now tackling these problems, including this one of fuel supply, and especially of coal. The committee suggested by the hon. gentleman who has just taken his seat ought to be appointed to study this question, to go into all the details and get the people together. Let them invite the province of Nova Scotia to come up here, to meet not only this parliament but the people of Ontario and Quebec who are organized under their respective governments. The Premier of Ontario to-day is in correspondence with the fuel committee of this government and is taking up the question of providing Ontario with coal. I am quite sure Quebec would do the same thing; in all probability she would negotiate with Ontario for the supply of the coal she needs from the mines of Nova Scotia.

Nova Scotia, to begin with, ought to nationalize enough of her mines to do this very work. Cut the profiteering out of the production of coal, and put that saving into the reduction of the price of coal. That is the way you can bring relief. Instead of allowing big fortunes to be made out of it, produce the coal at cost; do what Ontario has done in the production of hydro-electric energy. If we do that, and if we appoint this committee—I am going to ask the Prime Minister to pay attention to this suggestion—instead of appointing a commission to investigate the grievances of the Maritime provinces, let him here and now appoint a committee which will study this fuel problem and find a solution for it. I hope he will take the suggestion that has been made by the previous speaker. I urge him to say right now that within a day or two or within a week he will be prepared to nominate a committee of from seven to eleven—for that is quite sufficient—men who will study this question in committee every day that they can give the time to it, and call witnesses. If that is done, I believe in six weeks we can have a real solution. It is all very fine to get us here and read extracts about what can be done and about what different people

say. I am not criticizing the previous speaker at all, but the thing for parliament to do is to act and get the evidence, and when we get the evidence, to make a report. Let that committee be made up of men from all sides of the House. Do not make it a party question at all, but a national question. Let parliament find a national solution for this national problem, and if we solve this problem we shall be able to solve many others. I urge the Prime Minister before this debate is over to tell the House that he is prepared to take the responsibility of naming a committee that will investigate this problem, and will call together representatives of the miners of Nova Scotia and of the operators of the mines, and representatives of the provinces of Ontario and Quebec, and later on deal also with the question of bringing Alberta coal to the relief of Ontario, so that we can make ourselves independent of our neighbours to the south. They have shut us out of everything. They are taking our raw products over there and manufacturing them. Let us keep our own industries at home, and supply ourselves with our own materials, and when we begin to do that we shall see Canada go ahead and prosper once more.

Hon. CHARLES STEWART (Minister of the Interior): Coal and the transportation of coal to central Canada is always a very interesting subject in this parliament, and a great deal has been said about it; but I imagine there is no subject we discuss here about which there is more misinformation then there is upon the coal problem of central Canada.

Let me say at the outset on behalf of the government that we will welcome an investigation, because it will clear up, I think, a great many of the misconceptions that exist with respect to this question. I do not know that I can agree with my hon. friend from South York (Mr. Maclean) that the time has arrived when the coal mines of Canada should be nationalized, but undoubtedly a great deal of information can be gathered by the committee that will be helpful in arriving at a solution of this problem.

No one will deny, Mr. Speaker, that if it were possible to supply the whole of central Canada—and I do not say it is impossible to do that—with coal from eastern and western Canada, it would go a long way to solve some of our most difficult problems. The department over which I have the honour to preside have been giving a great deal of attention to this question, and they have tried on various occasions to find, I do not say a complete solution, but a partial solution of the difficulty. One of the things we have always endeavoured to keep in mind is the fact that after all the consuming population have to pay for the coal consumed. Coal is almost as great a necessity in a cold country like this as bread, and any increase in price will have a detrimental effect upon the consumer. It must always be borne in mind, as my hon. friend has said, that the development of water power has cut into the whole consumption tremendously. If it were not for the development of water power in central Canada, a great deal more coal would be consumed here, and as Canada continues to grow the development of water power will still further cut into the consumption of coal in this part of the country. The recent development in oil burning devices has also had its effect in the domestic field; it has still further cut down coal consumption not only on land but on shipboard. A great many steamships which formerly burned coal are now using oil; so that substitutes have undoubtedly usurped to a certain extent the place which coal used to occupy.

However, that is all beside the question. My hon. friend has raised the issue whether something cannot be done whereby the consuming population in Ontario and Quebec can be served by the coal mines of Nova Scotia and western Canada. This winter, owing to the strike in the United States, it has been possible to move seventy-five thousand tons of bituminous coal at the rate of $7, and I think without any increase in price to the consumer, which is the important thing after all. The feasibility of transporting western coal by rail and water has not been demonstrated to any considerable extent, and I rather welcome the suggestion of my hon. friend that we should go into an investigation of the possibilities of that method of bringing down Alberta fuel.

With respect to the movement of bituminous coal from Alberta to Ontario, that has not been investigated to any considerable degree. If this coal can be moved by rail and water, and it can be done, there is no question about the possibility of making it an active competitor with the American fuel. As regards the movement of bituminous coal from Nova Scotia, there is no question in my mind that if better methods were employed —some method such as suggested with respect to the loading and unloading of this fuel say at Montreal where it would have to be transshipped into smaller vessels—this coal could be transported, at least to the city of Toronto,

in competition with the American product. I may say this to my Nova Scotia friends: Our investigation has shown us that while there is very great difficulty ahead of the transportation of Nova Scotia coal as far as Toronto, and further westward, and the supply of the surrounding market from Toronto, there is no problem connected with the moving of Nova Scotia coal to the province of Quebec. When the shortage period existed there was always one hundred thousand tons of banked coal in the dumps at the city of Montreal. It never has been a problem to bring coal to Montreal from the coal fields of Nova Scotia. The serious problem was the interruptions that were continuous owing to strike conditions in those fields; and as hon. gentlemen well know, when a market is temporarily lost it turns to a new source of supply and it is difficult to get that market back again. With the addition of the subvention of fifty cents a ton which we gave two years ago, coal was moved westward from Montreal as far as Brockville, if I remember rightly, and then into the northern portions of the province in open competition with the American fuel. So I see no serious difficulty in supplying the eastern portion of Ontario with Nova Scotia coal if the supply remains uninterrupted.

It is useless to say that there is nothing to be learned in connection with this fuel problem. I agree with my hon. friend from East Lambton that there is a great deal to be learned, and I rather welcome the suggestion of my hon. friend from South York (Mr. Maclean) that the committee should investigate the whole question—the question of transportation, the question of costs, and so on. Of course we are going to have an investigation so far as transportation is concerned before the Board of Railway Commissioners, when experts will disclose the results of their inquiries. No doubt that investigation will be thorough and far-reaching, and the reports of the railway commission on the matter should be worth a great deal to us, as to the prices which are charged for the movement of this commodity.

Unfortunately, we have an interruption just now in the movement of coal from western Canada owing to the fact that we do not appear to be able to agree as to just what price should be charged, or on what basis the adjustment should be made. The government of Ontario, the government of Alberta, and the federal government were prepared to pay any amount that was found to be in excess of the rate of $7 per ton for the movement of Alberta coal to Ontario. The railway company had moved seventy-five thousand tons at a rate of $7 per ton during a period of crisis or emergency, but they undertook to prove that it could not be profitably done for less than $9 per ton. However, by way of compromise, Sir Henry Thornton agreed with us the other day that while the rate should be fixed at $9 a ton, he would be prepared to refund to the three governments concerned any amount less than $9 a ton found by the board when they brought in their report. So far I have not had confirmation from the other governments concerned with respect to this movement, I do not know whether it is going to be carried out or not. It is a fact that next month the hearing will take place before the railway commission when evidence will be presented on behalf of the operators in the mining industry from both ends of Canada as well as on behalf of the railway companies. The railway board will bring in a report on the question of the rate to be charged for the haulages of this commodity. There is a very wide field to inquire into, including mining costs, the difficulties that from time to time crop up between the operator and the employee, and the question —and I think it is very important one—of the cost of distribution. This is something that would stand a considerable amount of inquiry throughout the central region of Canada, because if the cost of distribution say from the car to the consumer amounts to practically the same as the cost of mining the coal and putting it on the car, it would seem to be just a little too much for that service.

Mr. GARLAND (Bow River): Would the minister be prepared to give this committee power to investigate the mining cost, and how would he give the committee that power?

Mr. STEWART (Edmonton): The committee might very well have the power to investigate mining costs. I think it is rather an important factor, because we must bear in mind that they mine coal under more favourable conditions in the United States. I think I am safe in saying that in nearly every bituminous mine in the United States they mine their coal one dollar cheaper than we mine ours, and that is a very important factor in costs. Officers of the Department of Mines who have to do particularly with fuel will be prepared, I am sure, to come before the committee and give them very enlightening information. So far as the distribution cost is concerned, we have little or no information because we did not investigate that end of it. I think it is worthy of consideration, though, because it is an important factor.

It seems to me that we need not worry a great deal about the provision of a continuous supply of anthracite coal for the central region of Canada. I think we have gone far enough in the investigation of the production of coke to prove that we will have a substitute that will supply our needs throughout the whole of central Canada. At the plant in Hamilton they make a very splendid quality of fuel. There was a time, only about two years ago, when it looked very doubtful whether that plant would succeed. It is now a great success, and there is no reason why plants cannot be established in all the large centres where there is a market for the gas that will be produced and manufactured, say in this city, in Montreal, in Toronto, Quebec, Sherbrooke; in fact, in any large centre that is capable of using a reasonable supply of gas. There is no reason why the bituminous coal of Nova Scotia cannot be manufactured into high grade coke and sold for domestic purposes; thus supplanting at least three-fourths of the supply of the anthracite coal now coming into this market.

Sir HENRY DRAYTON: In connection with what the minister is saying in reference to the gas plant—and I am in sympathy with much of what he has stated—does he propose to bring in similar legislation to that brought in last year, which would have made it possible for these plants to be operated, but which legislation was unfortunately withdrawn?

Mr. STEWART (Edmonton): That is a matter that will come up later. I am not prepared to speak about it to-night, except to say that I think some further technical investigation will be carried on along the lines that we have now adopted for the treatment of this coal, and I am confident it will demonstrate that a product can be manufactured which will be quite as acceptable as that from high grade bituminous coal from the United States. That has been the practical difficulty so far, and we have been bending our energies to the solution of that problem. If that problem can be solved, there is no reason, to my mind, why plants cannot be established in this city and every city eastward without any assistance in the world. I think I am safe in making that assertion, but I do say that at present they are under some handicap in comparison with the high grade fuel manufactured into coke in the Hamilton plant to-day. If it is possible to effect carbonization at lower temperature which would produce gasoline, our whole problem would be solved and we would have a much cheaper fuel. Instead of turning it into gas, we would turn it into gasoline and oil. Hon. members will see how important a part technical investigation and research play in these important problems so far as the fuel supply of Canada is concerned. It is along those lines we are bending our energies, and I am confident that with a little further investigation of the bituminous fuel of Nova Scotia they may discover a much higher grade of bituminous coal than they are using at the present time. However, as I said to my hon. friend, that is a matter that will come up later; it has no direct bearing on this question.

Mr. CAHAN: Just what does the minister mean by the statement that they may discover a higher grade of coal?

Mr. STEWART (Edmonton): I am told that there are possibilities of a higher grade of bituminous coal yet untapped in that province that can be mined and brought into the market. I have no inside information as to that, but that is the information I obtain from that quarter. Quite apart from the investigation that will be held by the railway board, I can see a splendid opportunity for the committee to obtain information that will be valuable in the solution of this very important question, and I welcome the suggestion of my hon. friend.

Mr. NEILL: The minister has talked about the solution of the question by the manufacture of coke in cities where there is a market for gas. Will he consider the subject of coal mines located in British Columbia where we have no local market for gas, and what could be done for those mines? Would he not consider further investigation along the line of finding a carbonization at a lower temperature which would produce gasoline which would be a solution of the question?

Mr. STEWART (Edmonton): In Germany they have carried this problem a little further than in any other country in the world, but they have not as yet, nor have they in the United States, nor have we who have been working along these lines, been able to say that we have a commercial process. We are all hoping, however, that we will discover a commercial process in low temperature carbonization. Then instead of having gas we will have gasoline and fuel oil. I say therefore, Mr. Speaker, that we welcome the suggestion of a committee for the discussion of the matters I have outlined, leaving the question of rates for investigation before the railway board. However, there is no objection to the

committee delving into that if they can be of service and bring to light any new information in connection with the matter.

Hon. EDMUND BRISTOL (Toronto East Centre): There is no question that a committee of this kind would be of great value and would result in benefit to the country. So far as coal mining in Nova Scotia is concerned, the miners there labour under a great deal more difficulty than the miners in the United States, because they have to go under water one or two miles, and it takes six or seven men to take out a ton of coal as against two men in the United States. That is one of the reasons why I fancy Nova Scotia requires a certain amount of protection in reference to coal mining, because unquestionably the cost of mining coal in Nova Scotia is at least two dollars more per ton than it is in Pennsylvania. When the minister said there should be an investigation into the cost from the car to the consumer, I think he struck a very important point, because when you come to Toronto I do not fancy you find any Nova Scotia coal being sold. The dealers there no doubt get their coal from the United States, and they have their methods of distribution and sale in Toronto It is hard to break into a proposition of that kind when the United States can beat us by $2 a ton on the price of coal.

As regards western coal, about which we hear a great deal to-day, every one, irrespective of politics, is anxious to see Canada use its own product and thereby become independent of the United States. If a scheme for the utilization of Canadian coal could be successfully worked out, as I believe it could, we should have $100,000,000 more distributed in Canada instead of being sent to the United States to help to develop that country. It is, however, a matter of some doubt as to what the quality of this coal would be upon delivery. Whether the transportation would take from its value is a question to be considered, and there are other problems of importance to be taken into account in connection with the proposal. In my humble judgment the most important thing for this country is to turn all its available water power into actual energy. It is an established fact that 1,000,000 horsepower is equivalent to 13,000,000 tons of coal so that it can readily be seen what the available electrical power in Canada would mean to the development of this country.

I will not discuss just now the question of Niagara development, in regard to which I have a resolution on the order paper. Possibly it is not desirable that I should deal with that matter at this juncture, but I would point out that, according to the advice of engineering experts, there is about 3,000,000 horse power available for division between the province of Ontario and the state of New York. You can realize, when you think of the enormous waste of power which is going on from day to day, from hour to hour, what it would mean to the working population of Canada and to everybody interested in the province of Ontario if this power were utilized. On the basis of thirteen to one, it means that 39,000,000 tons of coal per annum are being wasted at the present time.

The beautification of Niagara Falls is a problem which can be carried out, and it is one of great importance not only from the point of view of the scenery but for the purpose of preventing the destruction of the falls themselves. So far as Quebec is concerned, I do not think it will be questioned that that province possesses the greatest available water-power of any country in the world, particularly in proportion to its size. In the St. Lawrence there is within sixty miles of Montreal, 2,750,000 available horse-power which is not being used. There is a great area of level land in that vicinity where there could be built another city the size of Montreal and there is no lack of power capable of development. The sooner Ontario and Quebec realize their potentialities in the matter of water power, and turn that power into an active force, the sooner they will acquire something of great value not only to the provinces themselves but to the nation.

I sometimes regret that this water power does not belong to the Dominion, in view of our tremendous national debt, but at all events I am sure we are all glad to know that the province of Quebec possesses a resource which if properly developed would prove of the greatest value to her. We in Ontario hope to get a share of the Niagara Falls development and we hope also to share in the St. Lawrence development. Every day we allow all this water to flow unharnessed we are sacrificing something of great national value. The suggestion has been made that if we sold power to the United States we should thereby do a great injury to this country. Now we have been trying for some time to get United States factories to operate in Canada and it is not any consideration of power that prevents them from doing so; it is a question of the tariff, of which we have had considerable discussion during the past year. We have factories in Canada, and if the tariff were where it should be those factories would be working to capacity and others would be established as well. We are buying coal from the United States and I

cannot understand the argument that if we sold them power which we could turn off at will we should run the risk of going to war with the United States. That there should be any danger in selling to the United States power that we cannot at present use in this country is something I cannot understand. I appreciate the argument that we do not want to sell power to United States factories, but there are cities across the line which use power for a great many purposes apart from the operation of factories, and in any case the chances are that by the time we could develop our power in Canada it would be needed in this country for light, heat and power.

I am glad that we have found coal in the northern part of Ontario and I believe that in the coming summer the people of that province will be surprised at the high quality of it and the great value it will prove to them. I trust that the committee will be appointed; I am sure that it would be of great service.

Hon. CHARLES MARCIL (Bonaventure): In the years that preceded the war Canada attracted considerable attention throughout the world because of the assertion that had been made in this House and elsewhere that this was a cheap country to live in. That statement is no longer perfectly true. In listening to the remarks of the hon. member for Winnipeg North Centre (Mr. Woodsworth) this afternoon while he was discussing the cost of living, my memory went back a few years to an occasion when I had the pleasure of meeting in Montreal the President of Brazil who was then on a visit to Canada. In discussing the condition in Brazil and Canada respectively, he made the statement that the three problems that had to be solved in this country, if we wanted to make Canada a cheap place to live in, were those relating to fuel, clothing and food.

To-day the citizens of Ottawa are paying from $19.50 to $20 a ton for Welsh coal, and $17 for what is called newly mined anthracite coal which is supposed to have come from the mines in Pennsylvania since the strike there was settled. This coal is of an inferior quality; most of it is slate, and it does not give the most satisfactory results. Fifty years ago, away back in the National Policy debates, this coal question was discussed and a duty was imposed under the National Policy itself, on coal coming from the United States, for the purpose of helping the miners of Nova Scotia. This question has remained with us ever since, and it is to-day one of outstanding importance with the poor consumers of the country who comprise the majority of the people. The consumer must overcome the cost of fuel, but matters instead of improving are going from bad to worse. We have been told session after session that the miner is poorly paid and poorly clad and that charity must be raised throughout the country to assist him and his wife and children. And all this notwithstanding, the price of coal keeps going up. There is a gap between the cost of production of coal in the mine and the cost to the consumer. What is responsible for that? That is a question which might well be looked into. Two or three years ago we had two committees sitting, one in the Senate and the other in the House of Commons, investigating the coal question, and we have to-day a standing committee on Mines and Minerals which is waiting for an opportunity to tackle the problem.

This is one of the most important questions that could be dealt with by this House. We have in Canada a long winter of from five to six months; it is particularly severe in eastern Quebec, in northern Ontario and in the north generally. No greater boon could therefore be conferred on this country by parliament, nor could parliament sooner earn the everlasting gratitude of the Canadian people, than by bringing about a solution of this problem. We are sending $100,000,000 a year to the United States for coal while we are ourselves in possession of an enormous supply of both black and white coal. Hon. members who have spoken have referred to the water powers of Ontario and Quebec. These water powers are yet undeveloped; certainly they are not developed to the extent that they should be, and a great work remains to be done at Niagara Falls. Considerable activity is also in progress in the lake St. John district where hundreds of thousands of horse-power are being developed.

The coal question will remain with us for a long while to come. We may develop this white coal—this hydro-electric power—but we must still rely on coal. As the Minister of the Interior (Mr. Stewart) recently stated, coal has a double value; not only has it a value as fuel, but an even greater value for its by-product of oil, which every day is becoming more and more important, until eventually I imagine it will exceed coal itself in importance as fuel.

I for one, Mr. Speaker, would be delighted if this motion moved by the hon. member for East Lambton (Mr. Armstrong)—who already has several times spoken on this question in past parliaments, if my memory serves me rightly—were referred to a select committee for thorough investigation with a view to reaching a solution of our fuel problem, for

I think no more vital question could be settled by this parliament.

Mr. THOMAS CANTLEY (Pictou): Mr. Speaker, it is certainly encouraging to hear members from Ontario devoting time to the question of Nova Scotia coal. I was particularly interested in some of the advice given to the coal operators of Nova Scotia. We were told of the advantages which would accrue if the mines of that province were nationalized. Well, the fact is that those coal mines have been owned and controlled by the provincial authorities for sixty years or more. It is true they are leased by the provincial government to private companies who operate under license and subject to royalties payable to the province. I do not think that at the present time any one in Nova Scotia is prepared to advocate that the government of Nova Scotia should operate those mines.

From some of the remarks made it might be gathered that we in Nova Scotia are somewhat backward in our coal handling methods. Well, I may tell the House that boats have been regularly discharged at the port of Montreal at the rate of over one thousand tons an hour. Steamers have been regularly coming to the port of Montreal from Sydney during the summer months with eight thousand tons of coal each, and arriving at six or seven o'clock in the morning they have been able to leave again the same evening. They are loaded at the Cape Breton ports at about the same rate. So I do not think very much improvement can be effected in the rapid turning round of coal tonnage at either one end or the other.

Reference has been made to the conditions under which we operate our coal mines, and the remarks are very close to the facts. The cost of operation in practically all our Nova Scotia mines is very much greater than it is in a large proportion of the American coal mines. And the reasons are not far to seek. Briefly, it is due to the fact that our coal seams are fairly high-pitched, and a good many are submarine, involving very serious water problems. Taking Nova Scotia mines as a whole, you will find that the quantity of water pumped per ton of coal raised runs from 2½ to 7 tons. So it is quite as much a pumping problem as it is a mining problem.

Then our coal in practically all our mines gives off large quantities of inflammable gas. During the short recess I returned to Nova Scotia and a few days ago I was down one of our oldest and deepest collieries, the Princess at Sydney Mines, which was opened originally in 1863 and has been operated for practically fifty years, during which time some ten million tons of coal has been mined. Now, to-day we are passing through the workings of that colliery 45,000 cubic feet of air a minute to give the necessary ventilation. On Friday last, which was by no means a summer day, the temperature was 72 degrees in the working levels.

Now, one hon. member referred to the suitability of Nova Scotia coal for the production of gas, and intimated there were difficulties in its use because of its high sulphur content and the purification process which this involved. Well, practically all bituminous coal used for gas production, if it is high in volatile matter—as it ought to be if it is to be satisfactory for that purpose—usually contains very considerable amounts of sulphur, some coals more, others less. I have under my hand a piece of coal taken from the Princess colliery within the last three days at a point two and a half to three miles from the shore where there was a fourteen hundred foot cover between it and the ocean bed. I have not a complete analysis of this coal, but I know it will run about .68 per cent in sulphur—less than three-quarters of one per cent. That coal is quite satisfactory for gas making, with very little purification. Therefore the presence of sulphur should not present any great difficulty in the adoption of this coal for gas production.

The hon. Minister of the Interior (Mr. Stewart) referred to low temperature distillation. That, of course, as he said, has not yet been developed to the point where it can be considered to be entirely satisfactory. Great things are looked for in that connection, but until desirable results are obtained we can continue to produce, as they have been producing in Hamilton and also in Sydney, a domestic fuel from Nova Scotia coal—or from any fair quality of bituminous coal—which will replace with advantage any anthracite coming into this country to-day. It will give a very much better class of fuel than can be imported either from the United States or from Great Britain. I have already referred to the question in this House. There is no possible reason at all why Canada should be dependent on any foreign country for the prime necessity of fuel.

Forty or fifty years ago over a thousand vessels per year were loading coal in the port of Pictou for United States ports, and about 750 vessels in Sydney. Why did we lose that trade? Simply because the Americans put a duty of $1.75 per ton on our coal, and under that policy they developed the enormous coal industry which they have to-day, and which has supplanted our own industry in their

markets. From that country we have brought in about 17,000,000 tons of coal, both bituminous and anthracite, during the last few years. Reference has been made to the coking of coal at Hamilton. We made in Canada last year 1,471,116 tons of coke and imported 825,000 tons. For the making of coke we used of Canadian coal 660,000 odd tons, and of imported coal 1,500,000 odd tons, or a little more. Why? Simply because we have not a proper national policy so far as coal is concerned. If this country is content to remain dependent on a foreign country for what is a prime necessity both for domestic use and manufacturing purposes, it will not be very long until Canada is brought up with a round turn and finds itself in serious difficulties. All that can be cured by a very simple method, the same method as that adopted by our friends to the south, with results such as I have referred to.

I have briefly referred to the difference in the cost of producing coal in Nova Scotia as compared with the United States. The same thing, to a very large extent, could be said in regard to the cost of producing coal in Alberta. At Drumheller I saw one day a few years ago some 9,000 tons of coal loaded and despatched. That coal came from quite a number of collieries, but I venture to say that the entire cost of installation of the collieries producing that 9,000 tons of coal per day was not greater than the amount expended in one colliery in Cape Breton producing about 500 tons a day. I am referring to the hoisting plant, the pumping plant and the ventilating plant. I have already made some reference to the expense regarding ventilation, and the enormous volumes of air which must be driven through these collieries to make them safe from gas. I have also referred to the amount of water that requires to be pumped. These are factors we have with us all the time and of course as our mines get older and deeper that cost will increase. Coal costs a little more to-day than it did yesterday.. to-morrow it will be a little higher than to-day, simply because additional air has to be forced in; additional airways have to be constructed; additional roadways have to be built and additional wire rope has to be put on. In the colliery to which I referred a moment ago there are 27,000 feet of wire rope on the hoisting engine drum. Figure out what that means, and the distance we are hauling it. Why are we doing it? We are doing it because it is undoubtedly the best coal in the Dominion of Canada. It is the oldest colliery worked by the General Mining Association of London, which took that property over from the Duke of York in 1826. Just a hundred years ago to-day these collieries first operated, and I hope they will go on for a long time yet. I am certain they will, so far as quantity and quality of the coal are concerned. The old Sydney may not extend undersea to Newfoundland; but after a descent of seventy feet to the pit bottom I went seaward well on to three miles northeastward to the Newfoundland shore. Could I live long enough I might dig my way through coal a considerable portion of the way to the shore of the ancient colony.

I am glad to have this opportunity of supporting the proposed resolution which has been submitted by the hon. member for East Lambton (Mr. Armstrong) in regard to a committee. I hope that committee will be appointed, and I do hope also that when the committee meets and returns an answer to this House in regard to what the difficulties are and what can be done as to the further development of the coal industry not only in Nova Scotia but in the other provinces which have large supplies of coal, some action will be taken which will result in Canada being made entirely independent of any source of foreign supply. I think that could be done within ten years.

Mr. T. L. CHURCH (Toronto Northwest): Mr. Speaker, the hon. member for East Lambton, who brought forth this resolution, deserves considerable credit for doing so. I want to say to him, however, that I have little faith in the appointment of a committee by this House. The text of the resolution is practically a declaration in favour of a national coal supply, and this question has been before this House since 1922, when I introduced a similar resolution. We have all the information now about the resources of this country; we have all the facts and figures. The coal question is 95 per cent a question of transportation, and this parliament has made nothing but a football of the whole problem. The municipalities have now taken the matter in their own hands and Alberta coal has found a market in Ontario, as has coal from Nova Scotia and Wales. Five hundred thousand tons of coal were imported into Montreal last summer from Wales, in view of the contemplated strike and the expected coal shortage. Nova Scotia and Alberta coal have scored a triumph in Ontario. The time has come when this parliament and the provincial legislatures should decide on legislation grading coal, and no longer allow the American rail-

ways, the American coal trust, the American coal barons and the American capitalists to sell rubbish and cheap stone and dust for $15 and $20 a ton in the large centres of this country.

We have a railway commission which is supposed to regulate the railways of its own volition; the commission is not supposed to wait until the damage has been done. By the Railway Act the railway commission is sworn to do its duty, and one of the main clauses of that act provides that the railway commission, of its own volition, shall go up and down this country and see that there shall be no unjust, undue and unfair discrimination between provinces or between localities as to rates and tolls. This exists to-day. If we had an absence of unjust, unfair and undue discrimination in the carrying of coal from the Maritime provinces, Alberta and Wales the coal problem would be solved. Where has the railway commission been during the last four or five years? It has done nothing to solve Canada's national coal problem or check things up.

This resolution asks for a committee. We had a committee appointed in 1922, 1923 and 1924, and that committee made a report. Sir Henry Thornton and all his experts appeared before the committee and it was proved that $7 was a fair rate for the carrying of coal from Alberta, and it was laid down that Nova Scotia should get similar treatment. It was also stated that coal should be brought from Wales and the Maritimes, which would benefit the Canadian National Railways and enable the merchant marine to use some of the boats which were scrapped and tied up to the dock for certain months of the year. What became of that report? The government accepted the resolution which I had before the House in 1922 but struck out the last and most important clause in favour of an embargo; a clause which said that every pound of coal used in Canada should be mined and coked under the British flag, whether in Alberta, the Maritime provinces or Wales. The report of the committee of parliament was accepted by parliament in 1924, but up to this hour not one thing has been done to carry it out. On the government of the day is the responsibility for this coal embroglio which we have in Canada, a country which has spent two billions of dollars on the National railways. Where are they to-day, and where is the railway commission? They are sitting down and doing nothing, letting Canada become the happy hunting ground for the coal barons of Pennsylvania, who can call a strike in twenty-four hours and freeze this country out. On the government of the day is the responsibility There is no use in the Minister of the Interior (Mr. Stewart) getting up in the House day after day and telling us what has been done about coal. Nothing has been done about it, except to make a political football of it and shunt the problem off on the provinces of Ontario, Alberta and Nova Scotia, Cheap American rubbish has been sold as coal in Toronto at $20 a ton in bag lots. An investigation has already been asked for in this House, but nothing has been done. What has become of Mr. Murdock's Combines Act? Why have there been no prosecutions; why have you not got after the American coal barons in order to protect the working classes in the constituency I come from, which is a workingman's constituency? Where are the two gentlemen from Winnipeg representing Labour in this House? What have they to say about conditions in the larger centres in this country where people are lined up at the coal offices all winter to try to get coal, and all they can get is cheap American rubbish?

Sir Henry Thornton is responsible very largely for not having solved this problem. He was before the Railway committee in 1923 and 1924 and agreed to this $7 a ton rate. Why should Ontario pay one dollar a ton for the province of Alberta to advance her coal to central Canada Alberta is asking us for one dollar a ton to-day to pay the freight charges; to-morrow it will be Nova Scotia and New Brunswick asking us to contribute one or two dollars a ton. The thing is inequitable. The Canadian National railways are carrying grain and flour at preferential cut rates eastbound, and Ontario and central Canada have to bear their share of the charges. Why cannot coal be carried at preferential rates? The Canadian National Railways can help develop Michigan and Illinois, as I pointed out in the House the other evening; they can help develop the state of Maine and other states over the line, but when it comes to solving a national coal problem in this country—oh, no; that is a different state of affairs. The action of the railways in raising the rate on Alberta coal from $7 to $9 is but one more victory for the United States coal barons, under the present administration we have at Ottawa. That is what it is, and that is what Canada thinks. The people of Ontario are disgusted at the way this coal problem has been treated by this House, by the railway commission, by Sir Henry Thornton and the Canadian National Railways, and by the Canadian Pacific Railway. We were told in the Railway com-

mittee that $7 a ton was a fair rate for bringing Alberta coal to Ontario, that it would meet all charges. That was more than $2 a ton higher than the rate for carrying grain and flour eastbound, and now the rate is to be raised from $7 to $9 a ton. The railways might just as well quote a rate of $20 to $25 a ton to Ontario. The people of central Canada now know where the railways stand on this question. They have decided to do nothing to solve this problem and provide Canada with a national coal supply to make us independent of the United States. Canada's railway system, according to statements of railway magnates the past few days, is not to be used for the creation of a Canadian market for the output of Canadian coal mines. Our railways are to be preserved, as they have been in the past, to make Canada the happy hunting ground for the coal barons of Pennsylvania, and that is what this country will be no doubt so long as this government continues in office.

What are Canada's freight rates for, if our railways are to be used to advance the prosperity of Pennsylvania instead of Alberta and Nova Scotia? We have always had in my opinion a political rate structure in this country. The basis of our rate structure was the Crowsnest pass agreement, and the rates have been constantly changed, new rates being put on and others taken off. The railway commission has absolutely fallen down and failed to carry out its statutory duties under the act and regulate freight rates in this country. Sir Henry Thornton has also fallen down, and is very largely responsible for the fiasco he has made of this coal situation.

I endorse the stand taken by Premier Ferguson of Ontario in refusing to have the people of Ontario taxed one dollar a ton to bring Alberta coal down to this province when Ontario is already carrying the peak-load of taxation in this country, from 45 to 46 per cent of all the taxes. Central Canada is already paying in freight rates to give the prairie provinces preferential rates on grain and flour. Ontario might as well ask Alberta to pay two or three dollars a ton for the carrying of grain and flour down here, because the prairie provinces, through the decision of the railway commission, with the approval of this parliament, have placed on Ontario and central Canada extra tolls for the carriage of grain and flour at cut rates.

In my opinion there is no use appointing a committee to make another political football of this question. There is only one way to solve the problem, and that is by adopting a national policy. See that every pound of coal used in Canada is mined under the British flag, whether in Wales, the Maritime provinces or Alberta. Secondly, place an absolute embargo on American coal, and adopt a national policy for the development of our own coal mines. In addition, help the industry by bounties, subventions and bonuses. In the Old Country the government under the Right Hon. Stanley Baldwin voted in bonuses $210,000,000 last year to help the coal industry, and I venture to say that it will have to spend $300,000,000 to put that native industry on its feet for 1926. This parliament should also be prepared to help along similar lines our native industry. We should adopt a national policy. In 1923-1924 $200,000 in bonuses was voted to help bring Maritime and Alberta coal to central Canada. That bonus should be increased. It should run into two or three or five or ten million dollars if necessary. That amount could be well spent to put this native industry on its feet in Alberta and the Maritime provinces.

Let us utilize the National railways and the merchant marine. What are the National railways for if not to solve some of the great problems that confront the people of this country? So, while I appreciate the motive of the hon. member who has brought forward this resolution, I can tell him from practical experience that if a committee is appointed you will never get a solution so long as this government remains in office. They have made a political football of this problem; the railway commission has fallen down and so have the National railways. The people of this country are disappointed with the administration of the National railways to-day. In the early months of spring and summer thousands of cars lie idle at the head of the lakes and many boats of the merchant marine are tied up at the docks doing nothing which could be used in helping to bring coal to central Canada from Alberta and the Maritime provinces. The whole problem is one of transportation, and you will have to get somebody else to handle the problem before you get any solution from the powers that be in charge of the National railways and from the railway commission. They have increased the rate on Alberta coal from $7 to $9 a ton to give the Pennsylvania coal barons more and more business in Canada. By that act they are continuing to preserve Canada as the happy hunting ground which it has always been for the Pennsylvania coal barons and American coal trusts.

Mr. JAMES MALCOLM (North Bruce): I am not going to take up the time of the House at any length, but I want to make an observation on this interesting question of

fuel and how best we can use our own coal and cease using foreign coal. Hon. members have asserted that we are more and more becoming the victims of the American coal barons. Statistics do not prove that to be correct. There has been a general improvement in the use of Canadian coal for the past four years. In the year 1920, we imported into Canada 4,912,000 tons of anthracite. In the year 1924, when there was no strike, we had substituted other fuels for coal and imported only 3,908,000 tons, an improvement of a million tons with respect to anthracite. In the year 1920 we imported 15,900,000 tons of bituminous coal, whereas in 1924 our importations dropped to 12,578,000, an improvement of over 2,000,000 tons reduction with respect to bituminous coal.

Certain hon. members who have spoken in this House in the past have tried to point out that there was a fuel problem in Ontario this winter. I contend that there was absolutely no fuel problem; there was all the fuel that was necessary for the province of Ontario at all times, that is, provided the people were satisfied to use substitutes for anthracite. Let me say that I consider the American anthracite strike was a blessing to this Dominion, for it taught our people the absolute necessity of not being dependent on anthracite coal, and the possibility, referred to by hon. members here to-night, of burning substitutes such as coke. Now as a citizen of Canada and as a householder I am prepared to say that four years ago I personally became converted to the use of coke, and intend to burn it in future in my own household. For no matter what some people who always use anthracite say, we can make good coke in this country from Canadian coal. What we need in the central part of Canada, so far as domestic fuel is concerned is a little education to teach our people that they can successfully use Canadian coke made from Canadian coal. The people of the city of Toronto to-day again are being offered American anthracite coal, and they are buying it again, simply for the reason that during the past twenty-five years they have been educated to burn that type of coal. One of the things I should like to see the government undertake is an educative programme, to teach our people that coke made from Nova Scotia coal is a better domestic fuel than anthracite from American mines.

I quite agree with the remarks of the hon. member who has just taken his seat, that if there is one thing that is necessary it is that our people should have some protection on grades of coal which is shipped into Canada from the United States. We receive anthracite coal at times of strike that is from 25 to 30 per cent slate, consisting largely of dust that is unburnable. It is nothing more or less than the clean-up of the American coal heaps. I do not think the government should allow that condition to obtain any longer. I believe there should be a direct inspection of the grade of American coal at all times, and that in the meantime only the better grade of soal should be allowed to enter Canada. I would even go further. I am of opinion that the amount of anthracite coal imported into Canada from the United States at the present time, totalling probably four million tons, could very well be left in that country provided we could take immediate action for the establishment of coking plants to use our Nova Scotia coal. Not only that, but we have some of the best coking coals at the foothills of the Rocky mountains that there are in this continent, and coal from western Alberta can be coked successfully and sold for domestic use in the prairie provinces in the event of the people there not wanting to burn lignite coals.

There is one other question. The world is entirely over produced in coal to-day. Over production due to the war time trade is the great problem in the United States. Over production in Alberta is admitted by the representatives of that province in this House to be one of their problems. If we are going to successfully operate the coal mines in this country to the maximum production, it will certainly be necessary to have some control of the number of mines that are operated. If Ontario is able to take two or three million tons of Alberta coal, the mining of that quantity is only going to mean a scramble to open new mines to the detriment of those already in existence. That is one of the questions that a committee appointed by this House should very carefully study. I have been in conversation with hon. members opposite who have spoken on the question, and I am quite in accord with some things they have told me—I refer to men from the Maritime provinces. I am told that there are mines there that are not efficiently operated or possibly cannot be efficiently operated. Why cannot we have a complete analyses of the whole question of coal mining in Nova Scotia and Alberta? Why cannot efficient mines be operated to their full capacity? I believe that the people in Ontario and Quebec, if they feel that Nova Scotia and Alberta as provinces are giving them the most efficient mining possible, will be willing to pay a little additional for fuel from those provinces. They

will not hesitate to pay an extra dollar or two per ton for coke made within our own country; they will gladly co-operate in doing so. But, Mr. Speaker, there is a feeling throughout the province of Ontario among coal users, that Alberta coal costs too much at the pits' mouth, and that Nova Scotia coal—due to expensive methods of mining, due to the great depth and the amount of water that has to be pumped—costs too much at the mines' mouth, and that the users in Ontario are being asked to absorb a cost that is altogether out of line with the cost of coal in the United States. In this connection let me give you just one or two figures that were compiled by the Fuel Board. Pocahontas coal is a high grade bituminous coal which is sold in the United States for domestic purposes. Pocahontas coal can be laid down in Toronto for $9.75, whilst coal from Alberta costs $4 at the mines, and $7 a ton for freight to Toronto, making $11 in all. The people of Ontario feel that if they could get Alberta coal for anything like the same price, heat value considered, or within a dollar or two, they would be quite satisfied to use the domestic fuel; but until the mines of Alberta and Nova Scotia have been brought to a greater state of efficiency, we should not ask the Ontario user to pay an additional $2 or $3 a ton for his coal.

In supporting the motion before the committee I am going to say that I think it is important for two or three reasons. With regard to the movement of western coal, I agree with the hon. member who has just taken his seat, and with the hon. member for East Lambton (Mr. Armstrong) that Alberta coal can be transported more cheaply than the National railways are prepared to admit. I am afraid that railway men do not know a very great deal about their own business. In arriving at the cost of transportation they have a system of figuring up how many tons of freight they carry a given number of miles. They estimate that so many billion tons of freight are moved for so many miles, they take the total cost of their own system, they divide these billions of tons into billions of dollars, and then they give as the result a cost so much per ton mile to move that freight. I contend that system is not a correct system. I maintain that the National railways and the Canadian Pacific railway have a definite fixed overhead, and like any manufacturing business that can throw an additional twenty-five per cent volume into its operations, it automatically lowers the overhead and reduces the cost. If the Canadian National railways and the Canadian Pacific could haul five million tons of coal from Alberta over their systems, they would thereby reduce their overhead, and could carry coal for less money. I think coal can be carried from Alberta to Fort William at the head of the lakes for $3 to $4 per ton; and with the steamship equipment which we have it can be moved to Goderich, Kincardine, Sarnia, and other ports on the Georgian Bay for $1 a ton. From these points there radiate lines of the National railways over which the tonnage would go at reasonable freight rates to serve the whole western part of Ontario. Therefore I think there are two things which the committee should certainly look into. First, the committee should consider whether or not the mining business in Alberta can be so arranged that the greatest efficiency will obtain in the production of coal, and that there will not be too much overlapping by the opening of new mines; and secondly, the question whether or not the Canadian National railways can transport Alberta coal to the head of the lakes, and thence by boat to central Ontario ports, for less than seven dollars a ton.

I would suggest that in the public interest we should start a publicity campaign in Ontario and Quebec to teach our people that our own coal coked is a better domestic fuel than anthracite.

Mr. MARCIL: How would the price compare with American coal?

Mr. MALCOLM: Coke made from American coal was sold last May around ten dollars a ton wholesale in Toronto, and anthracite was sold about the same price. There is one thing which it is always rather difficult to understand. We are constantly talking about the resale or retail price of anthracite and the wholesale price of Alberta coal. Anthracite coal, Alberta coal and every other coal as the Minister of the Interior said, are sold at a great advance over the wholesale price. The cost of distribution of coal to-day is one of the most serious factors the coal user has to face and the committee could well investigate that feature. With the information we have in our possession, compiled by the Dominion Fuel Board, I would like very much to see a committee formed to deal with this important problem, and endeavour to ascertain how we can best secure Nova Scotia and Alberta coal for domestic use in Ontario.

With regard to the use of coal in Ontario, we in Canada produce about 13,600,000 tons of coal, and we import about 16,000,000 tons. Hon. members speak as though we bring all our coal from the United States. We are now using almost 50 per cent of Canadian coal. The question of bituminous coal or

steam coal for the province of Ontario is a very serious one and manufacturing businesses are involved to such an extent that it is doubtful whether they can pay the price for coal brought from Alberta. American coal is landed at some points in Canada at five dollars a ton, and is landed in Toronto at five and a half dollars a ton, which is about the cost of transporting Alberta coal to Ontario, and before we exclude American steam coal from the market we would have to consider other matters in connection with power and with our industries where cheap coal is an important factor. The investigation of that question would take a great deal of time before the committee, and probably occupy a good many sessions of parliament.

The hon. member who spoke a short time ago mentioned the question of salt. That is a commodity that is used in the everyday life of Canada. It is brought into Canada from all parts of the world. We are not like China in that we do not put a tax on salt. It is allowed to come into Canada free and is also refined in Canada. The cost is purely the evaporation cost, and it takes about two-thirds of a ton of coal to make a ton of salt. If you exclude the American bituminous coal you are going to double the price of Canadian made salt. That is a question that would have to be considered. Therefore, I think we can well afford to leave out the question of industrial bituminous coal in the meantime. If we can succeed in dealing with the domestic fuel problem and can educate our householders to use domestic coal or coke made therefrom in the Dominion, we have gone a long way towards solving our fuel problem.

Motion agreed to.

ADJOURNMENT—BUSINESS OF THE HOUSE

Mr. MACKENZIE KING moved the adjournment of the House.

Mr. MANION: What is the business for to-morrow?

Mr. MACKENZIE KING: To-morow is government day. We purpose taking such motions as may be on the order paper and then to proceed with Supply. We will take up first the estimates of the Department of Customs, and if we do not occupy the entire day with those estimates, we will take up the Department of Public Works.

Motion agreed to and the House adjourned at 11.08 p.m.

Tuesday, March 16, 1926

The House met at three o'clock.

SELECT STANDING COMMITTEES

Hon. J. H. KING (Minister of Public Works) presented the report of the special committee appointed to prepare and report lists of members to compose the select standing committees of the House as follows:

No. 1

ON PRIVILEGES AND ELECTIONS

Messrs:

Beaubien,
Bell (Hamilton),
Bell (St-Antoine),
Bennett,
Cannon,
Casgrain,
Clark,
Denis (Joliette),
Donaghy,
Duff,
Edwards (Frontenac-Addington),
Guthrie,
Hanson,
Hodgins,
Jacobs,
Johnston,
Kennedy (Peace River),
Kennedy (Winnipeg South Centre),
King (Huron),
King (Kootenay East),
Lapointe,
Macdonald (Antigonish-Guysborough),
MacDonald (Cape Breton South),
Macdonald (Kings),
McPhee,
Rhéaume,
Ryckman,
Stewart (Leeds),
Tobin (Wetaskiwin).—29.

No. 2

ON RAILWAYS, CANALS AND TELEGRAPH LINES

Messrs:

Anderson (Halton),
Anderson (Toronto High Park),
Armstrong,
Arthurs,
Bell (St-Antoine),
Bell (St. John-Albert),
Bennett,
Bird,
Black (Halifax),
Boivin,
Bourassa,
Bothwell,
Bowen,
Boys,
Bristol,
Brown,
Bury,
Cahan,
Cahill,
Campbell,
Cantley,
Casgrain,
Chaplin (Kent),
Charters,
Church,
Cotnam,
Delisle,
Denis (Joliette),
Denis (St. Denis),
Dionne,
Donnelly,
Drayton (Sir Henry),
Dubuc,
Dussault,
Esling,
Euler,
Evans,
Fafard,
Fancher,
Flemming,
Fournier,
Gardiner,
Geary,
Gershaw,
Girouard,
Goodison,
Gott,
Goulet,
Guthrie,
Hamilton,
Hatfield,
Heaps,
Heenan,
Hanson,
Hocken,
Howard,
Howden,
Jelliff,
Johnston,
Jones,
Kennedy (Peace River),
Kennedy (Winnipeg South Centre),
King (Huron),
Lacombe,
Laflamme,
Lanctôt,
Lavigueur,
Letellier,

Lovie,
Lucas,
MacDonald (Cape Breton South),
Macdonald (Kings),
Macdonald (Glengarry),
Macdougall,
MacLaren,
Maclean (York),
Malcolm,
Maloney,
Marcil,
MacNutt,
McKenzie,
McLean (Prince),
McLean (Melfort),
Maybee,
Mewburn,
McIntosh,
Manion,
McPhee,
McQuarrie,
Mercier (Laurier-Outremont),
Millar,
Morand,
Morin (Bagot),
Mullins,
Nicholson,
O'Neill,
Parent,
Pettit,
Pouliot,
Price,
Robichaud,
Robitaille,
Rogers,
Ross,
Rowe,
Ryerson,
St-Père,
Seguin,
Simpson,
Smith,
Speakman,
Spence (Maple Creek),
Spence (Parkdale),
Stansell,
Stevens,
Stewart (Leeds),
Stirling,
Sutherland (Oxford South),
Sylvestre,
Tobin (Richmond-Wolfe),
Totzke,
Tummon,
Vallance,
Verville,
White (Mount Royal),
Wilson (Wentworth),
Young (Saskatoon),
Young (Weyburn).—128.

And that the Quorum of the said Committee do consist of Twenty-five Members.

No. 3

ON MISCELLANEOUS PRIVATE BILLS

Messrs:

Anderson (Halton),
Baker,
Baldwin,
Barber,
Bell (Hamilton),
Bouchard,
Bowen,
Boys,
Brown,
Bury,
Casselman,
Chaplin (Lincoln),
Clark,
Cross,
Delisle,
Denis (Joliette),
Deslauriers,
Descoteaux,
Embury,
Fraser,
Fontaine,
Forke,
Goodison,
Hall,
Hannesson,
Hanson,
Harris,
Jacobs,
Jenkins,
Johnstone (Cape Breton North and Victoria),
Jones,
Kaiser,
Kay,
King (Huron),
Lacombe,
Lacroix,
Langlois,
Lennox,
Letellier,
Lucas,
Macdonald (Glengarry),
Macdonald (Richmond-West Cape Breton),
MacLaren,
McClenaghan,
McKillop,
McMillan,
Mercier (Laurier-Outremont),
Morin (St. Hyacinthe),
Murphy,
Peck,
Pettit,
Power,
Rheaume,
Robitaille,
Sanderson,
Seguin,
Senn,
Short,
Spencer,
Stinson,
Thompson,
Verville,
Ward,
Wilson (Wentworth),
Woodsworth—65.

And that the Quorum of the said Committee do consist of Ten Members.

[Mr. J. H. King.]

No. 4

ON STANDING ORDERS

Messrs:

Anderson (Toronto High-Park),
Black (Yukon),
Boutillier,
Chaplin (Lincoln),
Culligan,
Davis,
Desaulniers,
Deslauriers,
Donnelly,
Doucet,
Duff,
Duncan,
Euler,
Forke,
Gershaw,
Gervais,
Harris,
King (Huron),
Lacroix,
Langworthy,
Lavigueur,
Lucas,
McKenzie,
McKillop,
MacNutt,
Mercier (St. Henri),
Messervey,
Morin (St. Hyacinthe),
Mullins,
Parent,
Perley, Sir George,
Roberge,
Ryckman—33.

And that the Quorum of the said Committee do consist of Seven Members.

No. 5

ON PRINTING

(Members to act on the part of the Commons)

Messrs:

Baldwin,
Charters,
Donaghy,
Edwards (Waterloo South),
Embury,
Esling,
Euler,
Evans,
Hannesson,
Hocken,
Hubbs,
McGibbon,
McIntosh,
Malcolm,
Marcil,
Prévost,
Quinn,
Raymond,
Rinfret,
St. Père,
Speakman,
Steedsman,
White (Mount Royal)—23.

No. 6

ON PUBLIC ACCOUNTS

Messrs:

Arthurs,
Bell (St. Antoine),
Bennett,
Bettez,
Bird,
Boys,
Brown,
Cahan,
Cannon,
Casgrain,
Casselman,
Clark,
Coote,
Cross,
Denis (Joliette,
Drayton, Sir Henry
Duff,
Edwards (Frontenac-Addington),
Fiset, Sir Eugène
Forke,
Foster,
Fournier,
Girouard,
Goulet,
Guerin,
Hannesson,
Hanson,
Hatfield,
Heenan,
Jacobs,
Jacobs,
Jelliff,
Johnston,
Jones,
Kennedy (Winnipeg South Centre),
King (Kootenay East),
Laflamme,
Lennox,
Lovie,
McClenaghan,
McPhee,
Manion,
Meighen,
Mewburn,
O'Neill,
Parent,
Perras,
Pouliot,
Preston,
Raymond,
Rheaume,
Ross (Kingston),
Ryckman,
Simpson.

Smith,
Spencer,
Stewart (Leeds),
Stinson,
Tobin (Richmond-Wolfe),
Tolmie,
Tummon,
White (London),
Young (Saskatoon)—62.

And that the Quorum of the said Committee do consist of Twenty-One Members.

No. 7

ON BANKING AND COMMERCE

Messrs:

Armstrong (Lambton),
Baker,
Bell (St. Antoine),
Bennett,
Benoit,
Bettez,
Bird,
Black (Halifax),
Black (Yukon),
Bothwell,
Bristol,
Bury,
Cahan,
Cahill,
Cantley,
Carmichael,
Casgrain,
Chaplin (Lincoln),
Clark,
Coote,
Desaulniers,
Descoteaux,
Donnelly,
Drayton, Sir Henry,
Dubuc,
Duncan,
Edwards (Waterloo South),
Fafard,
Flemming,
Gardiner,
Garland (Bow River),
Garland (Carleton),
Grimmer,
Guerin,
Guthrie,
Harris,
Heenan,
Howard,
Jacobs,
Kaiser,
Macphail, (Miss)
Ladner,
Macdonald (Antigonish-Guysborough),
Maclean (York),
McClenaghan,
McGibbon,
McLean (Melfort),
McIntosh,
McMillan,
McPhee,
McQuarrie,
Malcolm,
Maloney,
Maybee,
Mewburn,
Morin (St. Hyacinthe),
Murphy,
Nicholson,
Parent,
Pettit,
Raymond,
Rheaume,
Robb,
Robichaud,
Robinson,
Robitaille,
Rogers,
Ross (Moose Jaw),
Ryckman,
St. Père,
Short,
Sinclair,
Smoke,
Speakman,
Spence (Maple Creek),
Spencer,
Steedsman,
Stevens,
Sutherland (Oxford North),
Sutherland (Oxford South),
Tobin (Richmond-Wolfe),
Tobin (Wetaskiwin),
Totzke,
Vallance,
Wilson (Vaudreuil-Soulanges),
Woodsworth,
Wright,
Young (Saskatoon),
Young (Weyburn).—89.

And that the Quorum of the said Committee do consist of Twenty-One Members.

No. 8

ON AGRICULTURE AND COLONIZATION

Messrs:

Anderson (Halton),
Armstrong (Lambton),
Armstrong (Timiskaming South),
Arthurs,
Baldwin,
Barber,
Benoit,
Bothwell,
Bouchard,
Boucher,
Bourassa,
Boutillier,
Bowen,
Brown,
Campbell,
Cardin,
Chaplin (Kent),
Charters,
Coote,
Cotnam,
Culligan,
Davis,
Delisle,
Denis (St. Denis),
Desaulniers,
Descoteaux,
Dionne,
Donnelly,
Doucet,
Dubuc,
Duncan,
Edwards (Frontenac-Addington),
Evans,
Fafard,
Fish,
Fontaine,
Foster,
Fournier,
Fraser,
Garland (Carleton),
Garland (Bow River),
Gardiner,
Gershaw,
Gervais,
Gott,
Hannesson,
Hay,
Hodgins,
Howden,
Hubbs,
Johnston,
Jones,
Kay,
Kennedy (Winnipeg South Centre),
Ladner,
Lanctôt,
Langlois,
Letellier,
Lovie,
MacNutt,
MacPhail (Miss),
Macdonald (Kings),
McKenzie,
McKillop,
McLean (Melfort),
McLean (Prince),
McPhee,
Maybee,
Messervey,
Millar,
Morand,
Morin (St. Hyacinthe),
Motherwell,
Mullins,
Neill,
Peck,
Perley, Sir George
Preston,
Roberge,
Ross (Moose Jaw),
Rowe,
Seguin,
Senn,
Sinclair,
Smoke,
Spence (Maple Creek),
Spence (Parkdale),
Spencer,
Stansell,
Steedsman,
Stewart (Edmonton),
Stewart (Leeds),
Stirling,
Sutherland (Oxford South),
Sylvestre,
Thompson,
Tobin (Wetaskiwin),
Tobin (Richmond-Wolfe),
Tolmie,
Totzke,
Tummon,
Vallance,
White (London),
Young (Saskatoon),
Young (Weyburn)—105.

And that the Quorum of the said Committee do consist of Twelve Members.

No. 9

ON MARINE AND FISHERIES

Messrs:

Beaubien,
Bouchard,
Boutillier,
Delisle,
Cardin,
Dickie,
Dionne,
Donaghy,
Dusseault,
Fansher,
Fish,
Fournier,
Grimmer,
Hannesson,
Hatfield,
Hay,
Hubbs,
Jenkins,
Ladner,
Langworthy,
Macdonald (Kings),
MacDonald (Cape Breton South),
Macdonald (Richmond-West Cape Breton),
MacLaren,
MacLean (Prince),
McQuarrie,
Marcil,
Neill,
Pouliot,
Price,
Quinn,
Robichaud,
Short,
Stevens,
Stork,
Verville,
Ward—37.

And that the Quorum of the said Committee do consist of Ten Members.

No. 10

ON MINES, FORESTS AND WATERS

Messrs:

Anderson (Toronto High Park),
Armstrong (Timiskaming South),
Barber,
Beaubien,
Bell (St. John-Albert),
Black (Yukon),
Boucher,
Bury,
Cahill,
Cantley,
Dickie,
Esling,
Evanturel,
Fansher,
Fiset (Sir Eugène),
Garland (Bow River),
Goodison,
Howden,
Johnstone (Cape Breton North-Victoria),
Lanctôt,
Lapierre,
Macdonald (Antigonish-Guysborough),
MacDonald (Cape Breton South),
Murphy,
O'Neill,
Power,
Roberge,
Robichaud,
Rogers,
Sanderson,
Simpson,
Smith,
Stewart (Edmonton),
Stork,
Tobin (Wetaskiwin),
Ward.—36.

And that the Quorum of the said Committee do consist of Ten Members.

No. 11

ON INDUSTRIAL AND INTERNATIONAL RELATIONS

Messrs:

Bell (St. John),
Black (Halifax),
Bourassa,
Bristol,
Church,
Deslauriers,
Garland (Bow River),
Geary,
Gervais,
Grimmer,
Hall,
Hamilton,
Heaps,
Heenan,
Howard,
Johnstone (Cape Breton North-Victoria),
Kennedy (Winnipeg South Centre),
Laflamme,
Macphail (Miss),
McKillop,
Malcolm,
McIntosh,
Morin (St. Hyacinthe),
McMillan,
Neill,
Prévost,
Rinfret,
Robinson,
Ross (Kingston),
Tolmie,
White (London),
White (Mount Royal),
Wilson (Vaudreuil-Soulanges),
Woodsworth,
Wright.—35.

And that the Quorum of the said Committee do consist of Ten Members.

No. 12

ON OFFICIAL REPORT OF DEBATES

Messrs:

Coote,
Elliott,
Flemming,
Fraser,
Hocken,
Macdougall,
McIntosh,
Marcil,
Millar,
Perley, Sir George,
Preston,
Prévost,
Rinfret.—13.

And that the Quorum of the said Committee do consist of Five Members.

[Mr. J. H. King.]

No. 13

ON THE LIBRARY

(Members to act on the part of the Commons)

Mr. Speaker and Messrs:

Baker,
Bird,
Bourassa,
Cahan,
Carmichael,
Deslauriers,
Fish,
Forke,
Garland (Carleton),
Hatfield,
King (Prince Albert),
McIntosh,
Meighen,
Neill,
Pouliot,
Prévost,
Quinn,
Rinfret,
Stirling,
Thompson.—21.

Mr. KING (Kootenay) moved that the report be concurred in.

Motion agreed to.

POWERS OF COMMITTEES

Mr. MACKENZIE KING moved:

That the select standing committees of this House shall severally be empowered to examine and inquire into all such matters and things as may be referred to them by the House, and to report from time to time their observations and opinions thereon, with power to send for persons, papers and records.

Motion agreed to.

REPORT PRESENTED

Report of the Soldier Settlement Board of Canada for the year ending December 31, 1925—Hon. Mr. Stewart.

THE DEPUTY SPEAKER

ELECTION OF MR. WILLIAM DUFF, QUEENS-LUNENBURG

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, may I be permitted to join my congratulations to those of other hon. members upon Your Honour's re-election as Speaker of this House, a choice which was received, as was to have been expected, with most gratifying unanimity.

As Your Honour is aware, rule 13 of the House provides that at the commencement of every parliament, as soon as an Address has been agreed to in answer to His Excellency's Speech, a chairman of committees of the House shall be elected who shall serve as Deputy Speaker. I have no doubt that after a continuous, and—may I add?—exemplary, uninterrupted occupancy of the Speaker's chair for a period of seven weeks, during which time the debate on the Address has been carried on, Your Honour will look not without favour upon the exercise by the House of the power given it under this rule. I hope that the name I am about to propose as that of chairman of committees may also be cordially received by hon. members in all parts of the House.

The hon. member for Queens-Lunenburg (Mr. Duff) has had an experience in this House of some nine years. As hon. members who sat with him in the last and the preceding parliaments will know, he possesses the many qualifications which eminently fit him to serve in the important capacity of Chairman of Committees and Deputy Speaker. In the discharge of the important duties of this joint office he will bring a knowledge of the rules acquired by careful observation and study and in no small measure by practical experience; he will bring not less a disposition to be fearless and impartial in the exercise of an authority which in its character is essentially judicial.

I have therefore great pleasure in moving, seconded by Mr. Lapointe,

That William Duff, Esquire, member for the electoral district of Queens-Lunenburg, be appointed chairman of the committees of the whole House.

Motion agreed to.

IMPERIAL CONFERENCE 1926

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I beg to lay on the table copies of correspondence between the governments of Great Britain and Canada relating to the proposal to hold an Imperial conference in October, 1926.

PRIVY COUNCIL DECISION

RIGHT OF APPEAL IN CRIMINAL CASES

On the Orders of the Day:

Mr. J. S. WOODSWORTH (Winnipeg North Centre): Mr. Speaker, may I ask if the federal government is taking any action in regard to the recent decision of the Privy Council in the Alberta appeal case? Is section 1025 of the Criminal Code to be set aside by that decision? And is the right of appeal in criminal cases to be entirely at the discretion of the Privy Council?

Hon. ERNEST LAPOINTE (Minister of Justice): The judgment has just been received by the Department of Justice, and I would not like to make any statement or comment before having an opportunity of reading and considering it.

SUPPLY

DEPARTMENT OF CUSTOMS AND EXCISE

The House in committee of Supply, Mr. Duff in the chair.

Salaries and contingent expenses of the several ports in the Dominion, including pay for overtime of officers, notwithstanding anything in the Civil Service Act, and temporary buildings and rentals, $6,723,815.

Hon. GEORGE H. BOIVIN (Minister of Customs and Excise): Mr. Chairman, while the entire estimate for the outside service of the Department of Customs and Excise is included in vote 349, amounting to $10,884,390, I think it would be better, if the committee would agree, to take up the different items separately, discuss them as they are reached, and after each separate item has been approved, have one formal vote adopting the whole resolution. I really do not understand why it has always been the custom to have all the items of the Department of Customs and Excise estimates embodied in one vote, but we have followed the usual custom this year making it much easier to make comparisons with the items required in previous years.

Before going into the details I desire to say that it is not through any spirit of bravado that I happen to be the first minister to present his estimates. I at once ask the committee to grant me the indulgence which is usually given to a new minister submitting his estimates to the House for the first time. That does not mean, however, that I am not prepared with the aid of my officers to give to the members all possible information, and if there is any information that I do not have available at the moment, the members of the committee may rest assured that I will do my best to get it for them. If they insist on the information, there will be no attempt on my part to press the item until such information has been brought down. It is true that an inquiry into the administration of the Department of Customs and Excise is being carried on and there is a rule of the House that provides that matters pertaining to a committee cannot be discussed in the House until that committee has made its final report. I think, however, it will be possible for hon. members to ask such questions and for me to give such answers in connection with the estimates as will give this committee all the information required, without in any way referring to what is going on at present before the customs investigating committee. The only information, perhaps, that I cannot give definitely will be concerning the organization of the preventive service staff of the Department of Customs and Excise. I want to say very frankly to the committee that the preventive service staff, organized under the vote of $350,000 which was included in the supplementary estimates of last year, has not been entirely satisfactory. Hon. members will ascertain that only about $35,000, or one-

tenth of the amount voted, has been expended. I thought it better to spend little than to expend a very large amount and get no results. I am asking for a re-vote of the same amount this year, with the intention of expending it in the same careful and cautious manner, and if it is impossible for me to describe exactly the plans I have under consideration for the reinforcement of that staff, it is because I desire to await the outcome of the customs inquiry and to follow in so far as it may be possible the suggestions which may be made by that committee. I am sure that the work of the committee will not be wasted effort, and that the suggestions received from the committee both as to possible amendments to the Customs Act and as to the reorganization of the preventive service staff will be enlightening, and that it will be possible for us to adopt them in many respects. With these few preliminary remarks, and asking once more for the indulgence of hon. members I would suggest that we proceed, Mr. Chairman, to consider the item you have just read.

The CHAIRMAN: Is it the pleasure of the House that the resolution be considered item by item?

Sir HENRY DRAYTON: I take it, Mr. Chairman, that we all agree with the minister that that is the only thing to do. We always have done it; sometimes we do the right thing, and I think we had better continue to do so. Just at the commencement and before discussing this item I would like my hon. friend to give me all the information he can in connection with the salaries. The first item is, I suppose, the one we will take up, amounting to $6,723,815, and it deals with the salaries and contingent expenses of the several ports in the Dominion, including pay for overtime of officers and so on. I notice there is an increase in that particular item. I would like the minister to give the House some information as to how he finds these services, and if there are any changes which he desires to make, as well as his observations on the reference there made to the Civil Service Act, in connection with employees.

Mr. BOIVIN: The words "notwithstanding anything in the Civil Service Act" do not apply in any sense to the appointment of the employees. The salaries paid out of this item of $6,723,815, which shows an increase over last year of $271,447.61 are paid to civil servants in the outside service but all appointed by the Civil Service Commission. The words "notwithstanding anything in the Civil Service Act" refer only to pay for overtime. The officers for overtime work are chosen by the department and the overtime salary is paid without reference to the Civil Service Act. The overtime rate is 50 cents per hour on week days and 60 cents per hour on Sunday. The Sunday and much overtime labour of customs officers is repaid by the railway or steamboat companies that take advantage of the services of these officers.

Mr. EDWARDS (Frontenac): Do they pay the civil servants direct?

Mr. BOIVIN: No. The officers are paid by us, and the company is billed by the department for the overtime. None of our officers are ever obliged to work overtime on Sunday but those who do so voluntarily and willingly are paid.

Additions to staff under this item account for the sum of $59,210, but that amount is offset by the decrease in salaries to promotions, retirements and appointments of senior officers whose positions are taken by new men or by men promoted from an inferior rank so that in reality the additions to staff mean an increase of $1,880. The statutory increases provided for by the Civil Service Act, with which all the old members of this House are quite familiar, account for the sum of $169,530.

Another increase in this item is for contingent expenses. They are increased by about $97,492.61. The major portion of that amount, about $60,000, is made up of overtime salaries and special salaries paid to watchmen for boats at Halifax, Windsor and other ports, but specially at Halifax, where all boats coming into the harbour laden with liquor must be placed under guard by the department, and the officers must be paid for watching the boats. While the amount, $97,000 may appear large, I should state at once that this amount like the overtime paid to our officers on Sundays, is reimbursed to the department by the owners of the boats and schooners requiring the services of these watchmen.

Sir HENRY DRAYTON: I take it from what my hon. friend says that he has some new regulations in connection with this particular branch of the department's work. He tells us that there is a substantial increase in this connection. I assume that must be because we have some change in the regulations. My hon. friend shakes his head. If there is no change in the regulations, why does the amount go up so much? Perhaps it would be more convenient if my hon. friend would give the committee just exactly how the item

is made up, so that we can see where the increases come in, and how the expenditure compares with last year.

Mr. BOIVIN: The total salaries amount to $5,753,815, as compared with $5,579,000 last year; that is, the difference in total salaries is about $175,000. As I stated before, the statutory increases account for $169,530, and the additions to the staff, very few of which were made, are almost entirely compensated by the decrease in salaries paid to the new appointees.

Sir HENRY DRAYTON: Is it convenient at this point to give the additions to the staff?

Mr. BOIVIN: The net additions to staff are 48 men, receiving salaries amounting altogether to $59,210. The total number of officers paid is 3,583. The total amount paid in salaries is $5,753,815.

Mr. MANION: What were the 48 additions?

Mr. BOIVIN: New officers were appointed at different ports where the work had become so heavy that the inspectors requested additions to the staff and a few new offices were opened.

Mr. RYCKMAN: At what places?

Mr. BOIVIN: A new office was opened at Malagash, near Amherst; there was an addition of one clerk and three typists to the Montreal office; another customs excise officer at Berthierville; an additional officer required for preventive work to take charge of office during the absence of the sub-collector at Quebec; a new outport was established at Cowansville, and a new officer appointed there; an additional officer for supervising the trans-shipment of goods at Beauceville; six customs excise examiners appointed at Bridgeburg; one at Fort William, one at Ingersoll, one at Whitby, seven additional officers at Windsor, one at Calgary, one at Lethbridge, one at Abbotsford, one at Nelson, British Columbia, a female examiner at New Westminster, and two additional men for the Pacific highway at New Westminster.

Sir HENRY DRAYTON: As I get it there are three new offices?

Mr. BOIVIN: There are three new offices.

Sir HENRY DRAYTON: Just in connection with the matter of offices, I wonder if my hon. friend has considered the question of the multiciplity of office. That is something that has a great deal to do with the very matter the committee is now considering, and that is the question of properly collecting our customs. I think it is pretty well notorious that the way to get goods in at valuations which do not jibe is to multiply the offices. I wonder if my hon. friend has ever considered whether it would not be a right thing to decrease the offices and adopt rather the standard of the United States in this regard where their offices are merely a fraction of ours, having regard to the activities carried on. Would it not be better to do that instead of further increasing offices, the only effect of which is to make it just that much more easy for importers to get their goods into this country at an improper valuation and on an improper basis?

Mr. BOIVIN: I agree entirely with what my hon. friend says. In fact I might perhaps give a list of some of the offices that we have already abolished. We have abolished more offices than we have created.

Sir HENRY DRAYTON: Would my hon. friend give the names of those abolished?

Mr. BOIVIN: There were three officers employed at Baddeck. It was found that these officers stationed at that place could not perform their work effectively and the positions were discontinued.

Sir HENRY DRAYTON: Is the office at Baddeck closed?

Mr. BOIVIN: Yes, there is no one left there now except possibly a preventive officer. At Barrington Passage the postion of customs excise examiner has been vacant since the appointment of Mr. Gray as collector. That position, instead of being filled, has been discontinued. The position of customs excise examiner at Bridgewater has been discontinued; the position of customs excise examiner at Digby has been discontinued. The officer stationed at Point Acone, North Sydney is no longer required there for the entering and clearing of vessels, and that office has been discontinued. The position at Port Maitland, Yarmouth, has been vacant for some time and has been abolished. The position of a part-time officer at Stanhope, near Coaticook, has been discontinued. In addition to the foregoing an office has been closed at New Richmond, in the county of Bonaventure, which does not appear on this report.

Sir HENRY DRAYTON: So far the offices closed have been in the Maritime provinces. Cannot we get anywhere else?

Mr. BOIVIN:: New Richmond and Stanhope are in the province of Quebec.

Sir HENRY DRAYTON: They are all in Nova Scotia, with that exception. What offices has my hon. friend been able to close in Quebec and Ontario?

Mr. BOIVIN: Up to the present time I have closed no other offices in Quebec or Ontario. With the exception of the dismissal of a few dishonest employees—and I may say there are very few in comparison with the number of officers in the service of my department—I have not attempted to make any radical changes. It must be remembered that I took over the administration of the department on or about the first day of November. Very shortly after that it was announced in the press that this parliamentary inquiry into the administration of the department would take place soon after parliament met, and I considered that it was my duty to refrain from making radical changes until the Customs committee had completed its labours and had given the House the benefit of its recommendations. I have always felt that the minister of any department, especially the Minister of Customs, was not only the servant of the crown but the servant of the people. I have always considered that the peoples' wishes could best be expressed by the voice of their representatives in parliament, and I will wait for the judgment of this House on the report of the Customs committee before I make any serious change.

Mr. MEIGHEN: Does that not apply to Nova Scotia?

Mr. BOIVIN: The changes made in Nova Scotia were made before I came into the department, but during the present fiscal year. Most of them were due to positions having been vacant for a long time. Instead of filling them it was decided to abandon them. I do not think that anyone has suffered in any way. The only complaint that I have so far received concerning Nova Scotia is, that some of the officers appointed there have not been supporters of the present government, and some of my political friends have felt unkindly towards the Civil Service Commission.

Mr. MEIGHEN: My hon. friend is not very complimentary to his friends. They appear to feel that the Civil Service Commission only does its duty if it appoints Liberals. I want to make a comment or so upon this increase. The increase this year in this one item is $271,447.61. In the entire vote, No. 349, it is $376,761.33. In the same item last year—I mean the partial item, the one we are on now, not the entire one—the increase was $566,673.41. The year before it was $138,910. No doubt these constant or rather startling increases of cost are all in pursuance of the much vaunted policy of economy of the government. The general estimates came out yesterday, but with that thoroughness of political preparation and publicity characteristic of the government—I have always complimented it on that; it is the only respect in which I have known it to be thorough in anything—the estimates were preceded by the announcement of a great saving to the country. I think one paper, very faithful to the administration, has the saving at $24,000,000. Looking, though, at the summary at the commencement of the estimates the reduction of the main estimates of this year from those of last year is $5,652,672.66, a trifle over five and a half million. And now we have merely this year's main estimates as against last year's total estimates, including all the supplementaries. Last year's supplementary estimates aggregated $9,387,426.97. On the assumption that this year's will be no more, we have already in the estimates for the present year, instead of a decrease from the year before, an increase of approximately $4,000,000.

But the assiduity of the government in presenting appearances did not end there. I have not been able to find anything in the estimates at all to cover any one item in the Speech from the Throne of all the numerous berry-patches there presented to hon. gentlemen to my left. There is nothing at all to correspond with the programme as to rural credits. There is nothing to correspond with the promise as to old age pensions. How many millions are to be required for each of these? Why are they not in the estimates? No doubt the ingenuity of the Minister of Customs has advised the government already to keep those out of the estimates, to present them in bills and make them statutory, and thereby keep up the pretence of a reduction while the actual fact is that the country is being loaded with millions more, untold millions more, this year over the year before.

What will be provided in the supplementaries in respect of public works, harbours, rivers and the like is only yet to be conjectured. But assuming that they will not exceed last year, they will not be very far from last year's figures. We will have this year over last year a total of approximately $4,000,000 in the estimates alone. We will have the whole of the rural credit venture

and the entire old age pension venture in addition. In these latter respects the future mortgages far exceed the present commitments in amount. This is the direction in which the government is travelling. There may be merit in this course or that, but there is no merit in travelling this course and then endeavouring to make the public believe that vast sums of money are being saved. The mortgage is increasing and multiplying year by year. It may be the price the government had to pay. It may be that they could not maintain themselves in power at any cheaper quotation. This may be the best they could do in the present market as it stands, but while they have to go in the market and pay, do not let them be proclaiming through the press that they are saving this country millions, when the poor country is being mortgaged in order that the government may gratify their own ambitions.

Mr. CHAPLIN (Lincoln): Coming down to the express item under consideration, the minister told us there was an addition of seven officers at Bridgeburg. I should like to know what they are for and what they are doing.

Mr. BOIVIN: There are six customs excise examiners appointed for the purpose of fixing what we call Tyden seals on cars travelling through Canada in bond. There was also one stenographer—

Mr. CHAPLIN (Lincoln): Is the business so much greater this year that they require seven new men at a point like Bridgeburg?

Mr. BOIVIN: The chief inspector reported that it was absolutely necessary for the security of the revenue.

In reply to the remarks made by the right hon. leader of the opposition (Mr. Meighen) in so far as this item is concerned, I say that not a single officer in the entire list was added upon the recommendation of any member of parliament or any member of the government. In every case the vacancy was reported upon by the chief inspector or by the inspector of the district and in every case the appointment was made by the Civil Service Commission.

Mr. GOTT: How about the Kingsville appointment?

Mr. BOIVIN: I am not aware of an appointment there but I am now told that it was made by the Civil Service Commission. I might say to my right hon. friend that one reason why my Liberal friends in Nova Scotia considered a few Liberals should be appointed, is that all Liberals holding provincial positions in Nova Scotia and New Brunswick have been dismissed and replaced by Conservatives within the last few weeks.

Mr. HANSON: Not all, but soon.

Mr. BOIVIN: Not all, but soon! I think "soon" has already arrived, if reports received are true. This is undoubtedly why our Liberal friends from Nova Scotia really think that once in a while a Liberal should be appointed by the Civil Service Commission.

Sir HENRY DRAYTON: I wonder if the minister could tell us whether the government of Nova Scotia has as yet been able to catch up with defaulting employees of the province of Nova Scotia.

Mr. HOCKEN: Liberals.

Sir HENRY DRAYTON: They were all Liberals—not one Conservative there.

Mr. BOIVIN: Catch up with defaulting employees in Nova Scotia?

Sir HENRY DRAYTON: Yes.

Mr. BOIVIN: It is not necessary to catch up with them. They have dismissed them all.

Sir HENRY DRAYTON: No.

Mr. CAHAN: Is the minister serious in that statement?

Mr. BOIVIN: Certainly—absolutely serious.

Mr. MEIGHEN: Nonsense.

Mr. BOIVIN: Officers occupying quasi-judicial positions, such as sheriffs and others, have in certain cases, I am told, been dismissed. There is no civil service commission in Nova Scotia and New Brunswick.

Mr. BLACK (Halifax): I may say that the minister's statement is very wide of the mark and I would ask if that is his justification or the justification of the government in appointing Liberals to places where the service is not required?

Mr. BOIVIN: I do not want to get into an argument concerning the statement I have made. I am perfectly willing to accept the statement of my hon. friend who lives in that part of the country and admit that a few Liberals may have been retained in office by the provincial government. A few Liberals have undoubtedly been appointed by this government in Nova Scotia. The extra watchmen on the preventive service staff at Halifax do not come under the Civil Service Commission. They were recommended by our Liberal friends from Halifax.

Mr. EDWARDS (Frontenac): They are not appointed through the Civil Service Commission?

Mr. BOIVIN: No, they are temporary employees who are not on regular duty, who are employed only seasonally, when the regular men who are supposed to do the overtime work are unable to do it.

Mr. HANSON: The minister said that certain quasi-judicial officers, such as sheriffs, had been dismissed by the new government. Can the minister give me the name of a single sheriff in that province who has been dismissed by the new government?

Mr. BOIVIN: No.

Mr. HANSON: There has not been one.

Mr. BOIVIN: No, I frankly admit I did not hear any name.

The CHAIRMAN: I think we are getting some distance away from the item.

Mr. FOSTER: Can the minister give us the name of one sheriff in Nova Scotia who has been dismissed by the Nova Scotia government? He has made the statement that practically all of them were dismissed. I do not think it is a fair statement to go to the country because it is not true.

Mr. BOIVIN: Not in Nova Scotia.

Mr. FOSTER: Nor in New Brunswick either. Not one-tenth or one-twentieth of the officials have been dismissed in Nova Scotia.

Mr. BOIVIN: I hope my hon. friend will allow me to refer him to the hon. member for York-Sunbury (Mr. Hanson), who told us that those who had not gone would go soon.

Mr. HANSON: Quite right.

Mr. MEIGHEN: They have not gone yet?

Mr. FOSTER: But the statement—

The CHAIRMAN: Order. I must call the attention of both the minister and the hon. gentleman who has just spoken to the fact that we are going beyond—

Mr. BOIVIN: I am sure, Mr. Chairman, you will allow me to apologize, if an apology is necessary, to my hon. friends from Nova Scotia whom I may have offended. I will admit that I relied only on verbal reports and that I should not have introduced that subject here, although I was led astray by a remark made by the leader of the opposition concerning my Liberal friends and the appointment of Liberals. It was not my intention to divert the attention of the committee from the item before us and I certainly am sorry if I have not been fair to the new governments of Nova Scotia and New Brunswick.

Mr. HANSON: Have any representations been made to the minister with respect to the necessity for new officials on that part of the coast line of New Brunswick bordered by the gulf of St. Lawrence? St. Pierre and Miquelon are very close to that border and the information I have is that immense quantities of liquor are being brought from those French islands to ports on the gulf of St. Lawrence with practically no let or hindrance. So far as I know the department over which the minister has the honour to preside has not appointed a single new preventive officer in that locality and there is no prevention of the smuggling of liquor from those points. I should also like to know how many female examiners are paid under this vote and where they are located. Are they part of a flying squadron? At the port of St. Stephen we have had visits on occasions from some of these female examiners and they throw great trepidation into the heart of the ordinary housewife who walks across the bridge from time to time.

Mr. BOIVIN: These ladies in the department bear the title of female searchers. There are three in British Columbia and six or seven in Ontario. There are none now in the Maritime provinces, but an application has been made for the appointment of one at St. Stephen. This application is now pending before the Civil Service Commission, by whom the appointment will be made.

Mr. HANSON: The department has made an application?

Mr. BOIVIN: Yes, for the appointment of an officer there.

Mr. HANSON: To be located there permanently?

Mr. BOIVIN: Yes.

Mr. HANSON: What about my question as to the appointment of more preventive officers on the New Brunswick coast bordering on the gulf?

Mr. BOIVIN: That matter is under consideration, and I am glad my hon. friend has brought it up. Our preventive service has been very weak on the coast of not only New Brunswick, but Nova Scotia and Prince Edward Island. Perhaps even before the committee has made its report and we have the advantage of its recommendations, it may be necessary to strengthen our force on the

shores of the three Maritime provinces. I hope it will be possible for us to co-operate to a certain extent with the administrators of the provincial laws in an effort to put an end to rum-running and to protect not only the federal revenue but the revenue of the different provinces concerned. There has always been some difficulty in making arrangements with provincial governments for the protection of liquor revenue because the provincial governments making seizures have always claimed the right to sell the liquor and to retain the proceeds. This deprives the federal government of the duty or excise tax, as the case may be, on that liquor. We do not generally pay awards to our informers until the duty or excise tax, as the case may be, has been paid. For that reason the question is a difficult one to adjust. We have had conferences recently with Mr. Paton of Prince Edward Island who, if I remember correctly, is chairman of the Prohibition Commission there. We have had frequent conferences with the president of the Quebec Liquor Commission concerning the matter, and I hope very shortly to be able to devise some way which will be acceptable to the provinces and also to the department so that the officers of the two governments may work together in close harmony.

Mr. HANSON: What arrangements have been made with the provincial authorities, say in New Brunswick, with respect to appointing liquor inspectors under the prohibitory laws? I think an arrangement has been entered into, and if so, I should like to know what it is. I know some are clothed with the authority of seizure officers.

Mr. BOIVIN: The only arrangement that has been made is that in the three Maritime provinces—I think this applies equally to the three—not all the provincial officers, but a few of them, at the request of the mayors of their cities, or the provincial government, or the chairman of the prohibition commissions, or whatever organization is functioning, have applied to us for what is commonly called a writ of assistance. This is the appointment of a preventive service officer without pay, giving to the local officer the same power and authority, in so far as searching, arresting and seizing are concerned, as our own officers have.

4 p.m.

Mr. HANSON: Do these officers to whom these writs of assistance go from time to time make any report to the Customs department, or do they report to the bodies under whose immediate jurisdiction they are? If they do not, why should some steps not be taken to see that liquor illegally smuggled into the country and seized by these officers with the assistance of these writs pays revenue into the Dominion treasury? That is a vital point that should be looked into. No doubt a very large revenue is lost to the country by reason of that fact.

Mr. BOIVIN: I do not get the exact sense of my hon. friend's question.

Mr. HANSON: If I understood the minister's previous remark correctly, liquor seized by these officers who are primarily prohibition inspectors, is confiscated after judgment by a proper tribunal and it is condemned either to be destroyed, or as in the case of New Brunswick, to be handed over to the New Brunswick Liquor Commission. If that liquor is properly handed over to the commission it is sold to the vendor. Does that liquor so seized and handed over in the way I have described pay excise to this government?

Mr. BOIVIN: Yes. All liquor which is sold by the respective commissions pays excise to this government, and it is a well known rule that liquor which does not produce at least the amount of the excise or customs duty when it is offered for sale for beverage purposes, is destroyed. No seized liquor is sold to these respective commissions as potable liquor unless it pays at least the amount of the excise or customs duty as the case may be. We have always insisted that this liquor shall pay customs or excise duty to the government exactly as my hon. friend has suggested, but the difficulty arises from the fact that the provincial governments claim that they pay the salaries of these men; that the proceeds of seizures made by these men all go to the federal treasury, and that the only advantage they get out of it is that they get their liquor for the price of the duty instead of having to pay the duty plus the cost which is very small. They claim they do not receive enough out of the proceeds of the seizures to cover the salaries of their men. They also claim that they are doing our work, and that therefore we should contribute in some way to the payment of the salaries. That is the question we are endeavouring to adjust, instead of making them customs preventive officers without salary at all.

Mr. GUTHRIE: Mr. Chairman, I understood the minister to say that seven new officers had been appointed at Bridgeburg, six of whom were car sealers. My impression is that some years ago—I do not know whether it obtained last year—only two car sealers were maintained at Bridgeburg, one of whom

operated during the day and the other during the night. Why was it necessary last year to appoint six additional men? Could we have the report of the inspector making this recommendation, and his name?

Mr. BOIVIN: They were appointed upon the recommendation of the chief inspector, Mr. E. S. Busby. I do not happen to have the report with me, but I will be very glad to have a copy made and either place it on the table or hand it to my hon. friend.

Mr. GUTHRIE: Are these men employed at Bridgeburg, or do they cover the district around Bridgeburg?

Mr. BOIVIN: They are all appointed and paid and considered to be officers of the port of Bridgeburg, but I am told by the deputy minister that some of them, although they do not reside in Buffalo, perform their duties there.

Mr. GUTHRIE: And Black Rock?

Mr. BOIVIN: Yes.

Mr. GUTHRIE: I understand that formerly the American railways used to contribute to the expense of maintaining these officials, they being employed for the convenience of the companies. Are they still contributing to the expense?

Mr. BOIVIN: The department pays salaries direct to the men, but the money is reimbursed to us by the American railways.

Mr. GUTHRIE: And there is no additional cost to the country by reason of the employment of these six men?

Mr. BOIVIN: No.

Mr. GUTHRIE: That is what I understood.

Mr. CHURCH: I wish to call the attention of the government to the low salaries paid the very efficient staff, from the head down, of the Customs department, at the port of Toronto. Excellent service has been given by the staff to the business men of the city and I wish to take advantage of this vote, as I have done on former occasions, at the request and on behalf of the business men of Toronto, to impress upon the government the necessity of providing a new and modern customs house to facilitate the work of these officials and to take care of the volume of business carried on at this port. The city of Toronto for a great many years past has been clamouring for a new customs house. Towards the $346,000,000 paid to administer our national affairs the city of Toronto contributes $94,000,000, and of this amount about $60,000,000 represents customs duties. This department and the post office should be operated for the benefit of the people. I do not know of anything that more retards trade and commerce than the difficulties that our business men have to overcome to get their goods through the customs house, due entirely to the absolute lack of proper facilities. This difficulty becomes acute at Easter and Christmas, when it is of the utmost importance that our merchants should be able to get their goods passed with a minimum of delay. I bring this matter to the attention of the minister at the request of the business men of Toronto, who have written me to lay before him the difficulties under which the customs officers labour. We have a very fine body of men in the service and they work very long hours for very small pay, but they are sadly handicapped through lack of adequate facilities. I hope a better day is dawning for them. The minister's predecessor visited Toronto and met some of our representative business men. They do not take their politics too seriously, business is business with them, and they want to do their business with the Customs department in the most modern and efficient way. The old customs house at Yonge and Front streets, one of the finest types of architecture in the city, was torn down some years ago but it has never been replaced. In 1917 the city sold to the government a site on Front street for $110,000—a cut rate—in order to encourage the government to give Toronto proper customs house facilities, and the old customs building was torn down. This new site is ready on the south side of Front street between Yonge and Bay streets. I venture to say that if we had a proper building for the transaction of the department's business in the city the customs receipts would be increased at this port to the extent of seven or eight million dollars. Under the present very unsatisfactory conditions I am sure that there is a considerable loss of government revenue. To make the situation worse, the income tax collection was transferred to the Customs department by the late minister, thus still further congesting the work of the local officials. To look after this income tax collection, then located on Lombard street, it was decided on removal and so an office was established at 54 Wellington street west, but although the government went to an expense of about $3,000 a year the building has never been occupied. Now it is proposed to erect a skyscraper at Yonge and King street, and to pay upwards of $290,000 in rentals. Part of the space, it is said being required to house sec-

tions of the customs service. With offices scattered all over the city there is not only great waste in extra rental charges, but there is a substantial loss to the government in earnings, and a substantial loss of time to the officials and the business community. This condition of affairs is no longer to be trifled with. During the late campaign in the Toronto district I noticed the billboard announcements of some of the Liberal candidates displayed an invitation to "vote for So and So the Liberal government candidate, and he will get you a new customs house and a new post office." But I do not think party politics should be mixed up with this vote.

The following resolution passed by the Liberal associations of Toronto is of interest:

> Be it resolved that the attention of the right hon. the Prime Minister be called to the fact that the present customs house is not only wholly inadequate to care for the business that passes through it, but that it is also an eye-sore to the people of Toronto, and a liability that is as a millstone around the neck of the Liberal party in Toronto.
>
> And be it further resolved that not only in the interests of good government but in the interests of common decency the Right Hon. Mr. King and his cabinet associates be asked to delay no longer in according to the people of Toronto what in simple justice is their right, a new and adequate customs house.

That was a resolution passed by the central Liberal executive of Toronto. I will not take very much of the time of the committee, but I think it is my duty to bring this matter to the attention of parliament, especially when we are getting a revenue of $60,000,000 from customs in Toronto. The Toronto Liberal executive also said:

> Toronto does not expect favours.

Of course we do not get any favours. Forty-six thousand dollars is all we get out of a vote of 346 millions for maintenance of the whole country. The Liberal executive were right when they said in their memorandum to the premier:

> Toronto does not expect favours. If it ever expected them it has long since passed that stage. But Toronto does expect that its necessities will be cared for at least in some measure. And a new customs house or federal office building is an absolute necessity. Let me point out to you that the customs receipts of Toronto amount to $60,000,000 a year, or more than a million dollars a week, out of a total for the Dominion of $133,000,000 a year, and that the headquarters for the customs house here is a ramshackle old shed of a building with two warehouses half a mile distant from it that cannot and should not be called upon in the matter of accommodation to house the millions of dollars worth of merchandise yearly passing through them and none of these buildings are suited to the requirements of a town of 50,000, much less a city of half a million people.

Then it was pointed out that while Toronto suffered under such disabilities, just so long would the Liberal party in Toronto find itself without representatives in the federal parliament. Those are the opinions expressed by resolutions and deputations of Toronto Liberal organizations. There is, in fact, no customs warehouse in Toronto; a lot of the goods are down at the Union station, out on the pavement and in various old rented shanties, and there is no place to house them. This is a public utility and should be operated as such. There is nothing which retards trade, both retail and wholesale, more than the inadequate way in which this public utility is operated. No concern under private ownership could live twenty-four hours if it was conducted in this manner, and treated its patrons as the citizens of Toronto have been treated.

I have a table of receipts here which I will not read but which shows that Toronto contributes over 45 per cent of the total customs revenue.

The late Minister of Customs and his predecessor went to Toronto and saw the actual conditions. A site was purchased from the city at about one-third of its value over twelve years ago. This lot was situated on the south side of Front street, and was bought in 1917 for $110,000. I venture to say that the increment to the government from that lot would amount to over $400,000 at the present time, so that as a real estate speculation they have made over $300,000 by that purchase. The new building was not erected because war broke out, but the war has been over for some years, and that excuse will no longer serve. The time for talk has passed and the time for action has arrived. The work of the customs in Toronto is spread out around the old Union station, the new station, the docks, and all along the waterfront to West Toronto, a distance of several miles. That is surely no way to conduct such a business. No regard should be taken of the way the city votes; this public utility should be operated from the commercial point of view.

I do not wish to criticize the young minister, because he has done just as well in this connection as his predecessors, and he has not been very long in office. I would be the last to say anything against him, but he knows something of conditions in Toronto. He has been up there and I believe in the short time that he has been in office he has become well acquainted with those conditions. It is not a question of spending money but of giving adequate service; the people of Toronto will pay for it anyway. They have to in part. They will pay two or three million dollars which is to go to the Hudson

Bay railway, and they will contribute revenue to provide customs houses, post offices, branch lines and so on throughout Canada. According to the free trade law of supply and demand as understood by the Progressive party, Toronto would have the greatest customs house in the country if that doctrine prevailed.

But we do not want any favours; business is business, and I do not see how the government can expect to hold this large business in the key city of Canada, so far as customs is concerned, without doing something to relieve the conditions which exist there today and to give an adequate service with a proper plant.

Mr. MULLINS: The hon. member has made some reference to the Hudson Bay railway. I may say that there is a suffering people in the west asking for a Hudson Bay railway, and that is more necessary than a customs house in Toronto. The customs house is not necessary; we can come to it later. The item in the estimates covering the Hudson Bay railway is absolutely necessary, and should not be referred to in that way.

Mr. CHURCH: Well let the provinces pay for it. It will bring out the ice crop.

Mr. GOTT: The hon. Minister of Customs stated a few moments ago that the appointment at Kingsville, Ontario was made by the Civil Service Commission. I desire to submit a letter in this connection under date of February 5. This is rather a complicated affair, and quite difficult to explain by letter.

I am forwarding herewith two official documents, the result of marks obtained on the examination, also the appointment, both signed by the secretary of the Civil Service Commission.

I carried out instructions on appointment, and on presentation of same was informed that my duties would not begin until authorization from Minister of the Department at Ottawa had arrived.

Through some reason, the news of my appointment became known, and our friends here became active, by wire, with the result that although I was appointed on June 30, headed the examination, served approximately three years in France, was rejected on account of a charge by some political henchmen of this district, but the enclosed letters will explain all I think to your satisfaction.

This appointment did not follow the usual procedure, and instead of going through the commission, came from the department by wire, in due time being passed through the usual channels.

Pressing the commission personally for a reason, also the department through the Windsor G.W.V.A., will enclose herewith the letters which are self-explanatory, the charge against me by the department (manufactured for the instance), and also letters from the C.N. and C.P. Telegraph Companies, whose agent I was here. These letters are from the inspectors who personally checked my office at the time I resigned.

[Mr. Church.]

You can easily see what becomes of the charges of the department, against the name of a man who had served his country in the time of need; charges that had not the slightest foundation, nothing more or less than a political dodge from beginning to end.

When we fellows enlisted they did not stop to ask what our politics were.

The defeated representative of South Essex, Mr. Graham, with whom I had several interviews, the first one the day that I had been informed that the appointment was made definitely. Mr. Graham said that the Civil Service Commission was absolutely and entirely supreme. The commission and the department usually met and decided on the appointment, but if the commission made the appointment, recommendations or anything else from the department would take no effect.

I immediately produced the result of my marks, also the appointment, and said: "In view of the facts already stated by you with these official documents in your hand, how do you account for another man receiving the appointment?"

Mr. Graham: "Well, the Customs Department have got busy, Mac."

Mr. McCallum: "You have just finished telling me that this could not possibly be done."

Mr. Graham: "But of course, you understand this is not my department?"

Mr. McCallum: "This may not be in your department, but this is your constituency, and are you aware of the fact that there are hundreds of returned soldiers in South Essex?"

Mr. Graham then promised that he would get in touch with the department, and the Civil Service Commission, and see what could be done.

The next interview I had with Mr. Graham was the day that he was endorsed as Liberal candidate in South Essex.

He admitted before Lafferty, president of the Windsor G.W.V.A., and others, that according to the evidence produced from Lafferty's files, part of which I herewith enclose, there was no doubt I had been done an injustice, and on arriving at Ottawa he would immediately get in touch with the Minister of Customs and see if he could not have my name cleared of these charges. As usual his actions were conspicuous by their absence.

Mr. Chairman, on the 23rd of February last I produced all the documents in connection with the appointment of McCallum, his dismissal, and the appointment in his stead of a man from Kingsville.

Mr. MANION: I should like to bring to the attention of the minister a condition which exists at the head of the lakes. Perhaps it hardly fits in under this item, but it is just as appropriate under this item as under any other as far as I can see, so I do not think it is out of order, Mr. Chairman.

There is at the present time at the head of the lakes a bus line running from Port Arthur to Duluth, a distance of something over 200 miles. That bus line has a passenger service each way daily, but for some reason, owing to a provision in the Customs Act—I do not know when it was introduced—these busses cannot carry anybody on the Canadian side; that is, a man, woman or child cannot get on one of these busses at

the head of the lakes and get off before reaching the international boundary. If the bus permits such a thing to happen, it is apparently breaking a law which brings these busses under the same control as applies in the case of passenger and freight boats on the Great Lakes, which are not permitted to call from one Canadian port to another. Apparently the same law applies to the bus lines as applies to the steamship lines. I do not know of any reason in the world why that law should apply to bus lines, but such I believe is the case. The fact remains that a man, woman or child living in Fort William or Port Arthur, or a farmer out in the country, cannot get on one of these busses and go for any distance less than the 55 miles to the international boundary. If anyone wishes to make a shorter trip, he must hire a special car, if he has not a car of his own. It certainly seems a ridiculous proposition that these busses should be running to and fro daily and yet the farmers in the neighbourhood and the citizens of Fort William and Port Arthur who have not automobiles of their own should not be permitted to use these busses and travel any distance they wish, twenty-five or thirty or forty miles without the bus breaking the law. I remember laying this matter before the then Minister of Customs last year or possibly two years ago. I have also written recently to the present Minister of Customs, but he has not had time to deal with the matter. Certainly it would appear to me to be reasonable to permit these busses to handle Canadian traffic at least until a Canadian bus line is established. The present bus lines are managed by American companies, and until such time as there is a Canadian bus line competing—and I would certainly favour a Canadian line—it would appear to me that the present restrictions should be wiped out and the people allowed to take advantage of these busses travelling to and fro daily.

I appeal here to the minister to look into this matter thoroughly and endeavour to have the difficulty straightened out. Just the other day I received, as I am sure my hon. friend from Port Arthur (Mr. Langworthy) did also, a resolution passed by the Port Arthur Chamber of Commerce, and in the past I have received various other resolutions along the same line advocating this change. It is possible there may be some slight damage done to the Canadian National Railways, which have a line to Duluth, but it is such a roundabout line that it is not fair to ask anybody to use that line unless he has no other way of going. The Canadian National Railway runs a service only three days a week to Duluth, and one has to leave at four in the afternoon and does not get into Duluth until eight o'clock next morning, changing at Fort Frances at two in the morning. The bus service is much more convenient, leaving at nine or ten in the morning and getting into Duluth at five or six in the afternoon, after a very pleasant trip along the lake shore, which by the way is one of the most beautiful automobile drives on the American continent. Last year over 5,000 American cars crossed the bridge at the international boundary and entered the Dominion, and this traffic is increasing very rapidly every year. I again urge the minister to look into this matter thoroughly and endeavour to straighten out this ridiculous law or regulation which prevents the use of these bus lines by citizens of Fort William and Port Arthur and by the people in the surrounding farming country.

Mr. BOIVIN: Just a word in answer to my hon. friend. I received his letter this morning, and I have already given instructions to the officers in my department to investigate and see if something cannot be done to meet his wishes. The great difficulty in connection with that bus line is the fact that they are using American busses that have not paid duty, and if we met my hon. friend's wishes we would be allowing American manufacturers to use in Canada American busses for commercial purposes without duty having been paid upon the value of the bus. There should, I think, be a provision in the law by which part of the duty might be collected in a case of this kind, but I fear that to open the door and give this particular bus line the permission requested by my hon. friend would be creating a precedent that might work havoc perhaps to many Canadian lines operating in other parts of Canada. However, I will look into the matter, and if it is possible to do so, my hon. friend's wishes will be met.

Mr. MANION: I had never heard before the argument my hon. friend has just made, but even if it is as he states, and I accept his word at once, I would point out that there is no other bus line in competition in this case. I do not think there would be enough local traffic on the Canadian side of the line to permit this bus line to pay any part of the duty, because a large proportion of the farmers in the surrounding country and of the citizens of Fort William and Port Arthur have cars of their

own, and only a very small proportion would use this bus line. I think a temporary ruling might well be made to permit this bus line to carry local traffic until such time as a Canadian bus line is established.

Mr. GEARY: May I ask the minister if in estimating his expenditure for salaries and contingent expenses of the several ports in the Dominion, he includes in that amount moneys which are subsequently paid back to the department?

Mr. BOIVIN: Oh yes.

Mr. GEARY: The Auditor General's report indicates that there is an amount of $22,000,000 which, though included to the credit of the Receiver General originally, was subsequently refunded by the department independently of the Receiver General as drawbacks of customs, excise refunds and similar items chargeable to revenue. I would like to ask the minister if this item gives credit for any part of that sum.

Mr. BOIVIN: No, this item does not give credit for any part of the drawbacks returned.

Mr. GEARY: I was thinking of salaries.

Mr. BOIVIN: There are no salaries returned.

Mr. GEARY: I wonder if that is the case. It says in volume I of the Auditor General's report that this $22,000,000 was subsequently refunded as drawbacks of customs, excise refunds and similar items chargeable to revenue. Then I am to understand from the minister that salaries in no case are included in the amount?

Mr. BOIVIN: No.

Mr. GEARY: And if you get a refund from a boat company, for instance, this year for last year's payments of customs officers it is not credited in the item?

Mr. BOIVIN: No amount received by any boat company or railway company appears or is credited in any way to this vote. The item referred to by my hon. friend in the Auditor General's report is the item covering customs duties drawbacks, that is to say money paid back by the department to those persons who have paid duty to us, but who have a right to reclaim that duty under the drawback clause in the case of materials imported and afterwards exported in manufactured form from Canada.

[Mr. Manion.]

Mr. GEARY: As I understand it generally, the matter comes down to this: The $6,723,815 for salaries this year includes an amount for Sunday service which ultimately will be refunded?

Mr. BOIVIN: Yes.

Mr. GEARY: Will it be refunded in the same fiscal year, or is there a balance over from year to year?

Mr. BOIVIN: The difference is that the refund instead of being made by us, as in the case of the drawback, will be made to us and sometimes in the next fiscal year.

Mr. GEARY: It will be, but I should think there would be a credit for it in that amount.

Mr. BOIVIN: It goes to the credit of revenue, and not to the reduction of salaries. It will be found in the revenue account of the Auditor General's report. It is accounted for in the Auditor General's report, but not credited to this item.

Mr. GEARY: What is the amount that will come back?

Mr. BOIVIN: I am not sure, but perhaps a million and a half.

Mr. GEARY: And there is nothing in the way of salaries at all?

Mr. BOIVIN: No.

Mr. CHURCH: May I ask the minister if he will state what he proposes to do in the matter of the Toronto customs house?

Mr. BOIVIN: My hon. friend knows there is no place in Canada I would rather visit than Toronto, especially when the hon. gentleman is there, because he always extends such a hospitable welcome. Since I took over the department I have not had occasion to visit Toronto. Let me say that is not my fault, it is my misfortune. I intend to go just as soon as I possibly can, and investigate the customs conditions there. I know from reports I found on file in the department that the conditions in Toronto are not what they should be. I agree entirely with what my hon. friend has said concerning the necessity of improving the customs accommodation in Toronto. I am not, however, going to agree with him when he says that we shall lose revenue in Toronto if it is not improved because I know the city is going to keep on growing, and the people there will meet their obligations in any event.

But I do agree with my hon. friend that they deserve better customs accommodation. Requisitions have been made by our department to the Department of Public Works for improved customs accommodation. I am going to take it upon myself to bring the hon. member's remarks to the attention of the Minister of Public Works, because his department is responsible for the erection of these buildings. I do hope that my hon. friend's wish may be granted, at least in part, before another budget is presented.

Mr. NICHOLSON: I understood the minister to say that he anticipated a refund to the department of something approximating a million and a half dollars on account of salary refunds specially covered under this item. Where would it be possible for us to get the details in connection with the refunds from year to year?

Mr. BOIVIN: I think they should appear under sundry receipts in the revenue account of the Department of Customs in the Auditor General's report. Of course the refunds for the present fiscal year, which has not quite expired, will only appear in the next report of the Auditor General. Those that do appear in the report tabled a few days ago would be for the fiscal year ending March 31, 1925. They are the amounts paid by the railway companies for sundry services of the officers, the amounts paid by the boat companies and the amounts paid by the owners or masters of schooners, and ships of all kinds in the different harbours of Canada that are under care of our watchmen as well as the services of all the men employed for sealing cars in transit and in bond through Canada.

Mr. HANSON: With respect to the situation at Halifax to which the minister referred where watchmen are required for steamers and schooners loaded with liquor, how long has this situation been going on, and why is it these men are termed temporary employees? Because it seems to me that is not a seasonal occupation, it must be an all-round occupation, especially since the Volstead Act came into force in the United States. Therefore it seems to me those selected for this work should be men of a very high standard, and I see no reason why they should not be appointed by the Civil Service Commission, instead of being appointed, for instance, at the request of the late lamented Mr. Finn. I would not expect that we would have a very high type of watchmen appointed by that gentleman. I am not making any great reflections on him, but having regard to what we who were in the last house all know, I think it would be very dangerous to have appointments made in this way. Is the minister giving any consideration to the question that these men should not be temporary employees, but should be highly efficient employees. I can conceive where there could be a great injustice done to the public revenue if the men appointed to do this work were not of a high type. I should like to know how many men there are, when the system began to grow up, and if the minister intends to continue it?

Mr. BOIVIN: It is impossible to tell my hon. friend exactly how many men are constantly employed there. I think there are about twelve whose services are available when required. It is true that boats laden with liquor go to Halifax quite frequently, but it is not a regular traffic. There are certain times—and I think I can say it does not only depend upon the season—when there are many boats in the harbour and they have to be watched and guarded. There are other times when there are no boats at all and frequently the regular staff can do the work, do it efficiently and do it well. In fact it is only when they are overworked that the regular staff, appointed by the Civil Service Commission, allow these extra watchmen to be employed.

Mr. HANSON: Are they appointed at the request of the collector?

Mr. BOIVIN: I think a list of names is supplied to the collector by the department here at Ottawa. I remember having seen some correspondence between the collector and the department wherein the collector suggested the names of some men who should be added to this list. I cannot exactly remember by whom the other names were suggested—

Mr. HANSON: Make a guess.

Mr. BOIVIN: —but I am positive they were not suggested by the former member for Halifax, to whom my hon. friend has just referred.

Mr. NICHOLSON: In connection with these officers for whose services refunds are received, what class of officer is covered in this particular grant? Is it just watchmen at the outports and the employees in the railway terminals or outports, who look after the sealing of cars and does that work involve one-fourth of this total item?

Mr. BOIVIN: No, I do not want to say that the entire amount that I mentioned a moment ago is refunded for moneys paid out of this particular item. I am not even positive that the total refunds that we receive from the railway companies and the steam boat lines for all expenses out of any of the items included in the estimate 349 amounts to one million and a half. I would say that the amount refunded from the moneys paid out of this particular vote would be a little less than one-half million dollars. The balance would be paid out of the other items. The railway companies do not pay the salaries of all the men employed in and around the railway. Many men who are placed there for the convenience of the railway company are paid by the railway company, and on the other hand there are many customs employees placed there for the convenience of the public whose salaries are not refunded.

Mr. NICHOLSON: The officers who are placed there for the convenience of the railway company are sent there at the request of those railway companies, I presume, in order to facilitate the passing back and forward of the traffic. With regard to the question raised at Bridgeburg, and the addition of seven men for sealing purposes, were these officers placed there at the request of the railway companies? Was there a very great increase in the volume of business passing through the terminals that made it necessary for the railway to ask for the appointments, or are these a class of officers whose salaries the railways do not refund?

Mr. BOIVIN: There is not a very large increase of traffic through that port, but I am told the inspector found the work was not properly performed, and the railways found that their trains were delayed. It took too much time to seal their cars, and they preferred to have their own men and to pay the extra expense in order to expedite their trains.

Mr. HANSON: Who is collector of customs at Buctouche and how many officers of the department are there residing between Point Escuminac and Cape Tormentine on the St. Lawrence? That would take in the outports of Shediac, Cocagne, Buctouche and Richibucto. I suggest that would be a good ground to look into in connection with the traffic I have referred to.

Mr. BOIVIN: That would be under the port of Moncton.

Mr. HANSON: Moncton or Chatham?

Mr. BOIVIN: Chatham, I think. Mr. McInerney is a sub-collector replacing Mr. McMinn at Richibucto. At Buctouche, there is a sub-collector, Mr. A. Legere. He is the only officer on the regular staff at that point. It may be that we have a preventive officer there but he is the only regular customs officer at Buctouche and Mr. McInerney is the regular officer at Richibucto.

Mr. GOTT: What was the essential qualification in connection with the appointment of the excise officer at Kingsville?

Mr. BOIVIN: I am sorry I cannot give that information. The officer at that point was appointed by the Civil Service Commission about two months before I took over the department. I am informed that a returned soldier was appointed there. I am sure the Civil Service Commission were under the impression they had made an excellent appointment. Complaints were lodged against the appointee. The appointee was dismissed, and the Civil Service Commission were asked to appoint another man. I was not in office at the time, and I have no knowledge of what the essential qualifications were.

Mr. GOTT: No. Mr. Pearsall, who was appointed permanently, was a son of the president of the Liberal Association of the town of Kingsville, not a returned soldier.

Mr. BOIVIN: I am willing to stand corrected. I am informed by my deputy that the appointment was made by the Civil Service Commission on July 15, 1925. His name is A. G. Pearsall.

Mr. GOTT: Is it on file that he is a returned soldier? I understood the minister to say that.

Mr. BOIVIN: I was under that impression. I did not say that it was on the file. I will look up the documents and speak to my hon. friend about it again, and ascertain whether any misrepresentation was made. If any misrepresentation was made it is not too late to have it corrected.

Mr. GOTT: I understand the Great War Veterans' Association at Windsor took it up at the time on behalf of Mr. McCallum.

Mr. BOIVIN: I will look into it.

Mr. RYCKMAN: Why was Mr. McCallum disqualified?

Mr. BOIVIN: My officers tell me it is absolutely impossible for them to tell from memory exactly why he was disqualified, but the matter will be looked up and the information will be given to my hon. friend.

Mr. RYCKMAN: Before the estimate is passed?

Mr. BOIVIN: I would not like to make that promise—I hope my hon. friend will not exact it—but before all the estimates of the department are passed.

Sir HENRY DRAYTON: I think that would be a safe promise.

Mr. RYCKMAN: It appears from what we have before us that an estimable man, a returned soldier, who headed the examination with the highest number of points, was appointed by the Civil Service Commission to the position. It is a case of this man first and the rest nowhere, and then the son of the president of the Liberal Association is appointed in his place, and the minister in the House and his deputy cannot give us any reason to-day why it was done.

Mr. BOIVIN: I thought my hon. friend would be less exacting than that from a new minister. I was not in office when the dismissal was made. I know nothing about it. I could not know the question was going to be asked. If I had I would have brought the information. I promise my hon. friend I will get the information, bring it down and hand it to him or lay it on the table before I ask that all of my estimates be passed.

Mr. GOTT: I rise to submit this letter despatched from Ottawa to Mr. McCallum on July 16, 1925:

Dear Sir:

In reply to your telegram of the 13th inst. I am instructed to inform you that the Deputy Minister of Customs and Excise has notified the commission that your services will not be acceptable to that department, and the commission has therefore made another assignment to the position of sub-collector of Customs and Excise in the person of Mr. Allen Dorland Pearsall, who qualified for permanent appointment at the same time as yourself. Mr. Pearsall did not serve overseas during the late war, but you were the only successful candidate who did so. Mr. Pearsall was regularly assigned to this position on the 3rd instant.

Yours truly,
C. H. BLAND,
Assistant Secretary.

Mr. BOIVIN: That clears up one point. The letter from the deputy minister states clearly that he was not a returned soldier.

Mr. McGIBBON: Does it not also prove that this man was dismissed at the instigation of the Customs department at Ottawa? According to the statement read by the hon. member for South Essex, before any appointments were made by the Civil Service Commission they had to have a consultation with the head of the department. I should like to know from the minister whose will prevails on occasions like this. It is quite evident in this case it is not that of the Civil Service Commission.

Mr. BOIVIN: I can speak only for myself and for what has taken place in my department since I took charge. I do not know of anything in the Civil Service Act which gives me the right as head of the department to dictate to the Civil Service Commission whom they shall appoint. I have never made any recommendation. I do not think I have the right to recommend, and if I did, I do not think they would be obliged to follow the recommendation. It is true when an officer is appointed by the Civil Service Commission, if he is not acceptable to the department, if, for reasons given, the department do not want to avail themselves of his services, if he cannot perform the duties which are expected of him, if he is incompetent or if serious charges have been laid against him, the officer may be dismissed, but not in favour of someone else.

Mr. GOTT: Would the minister consider a charge made in the heat of a political contest a serious charge?

Mr. BOIVIN: That would all depend on the charges and by whom they were made.

Mr. RYCKMAN: Does the minister tell us seriously that neither he nor his deputy who sits with him nor his assistant deputy knows why Mr. McCallum was disqualified or discharged?

Mr. BOIVIN: Of course I do not know because I was not there. The deputy tells me that at the present time it is impossible for him to definitely remember.

Mr. NICHOLSON: We have this fact, that as recently as last July the deputy minister, the head of the department, in the case of an officer newly appointed who had all the qualifications called for by the Civil Service Commission, finds it necessary to ask for his removal and does not know the reason why. A customs officer is not removed merely at the whim of some individual who says: I want him removed. Surely after such a short time as has elapsed the deputy minister must recall the reasons for asking for this man's removal

Sir HENRY DRAYTON: Perhaps I can help the minister a little.

Mr. BOIVIN: I wish the hon. member would enlighten us.

Sir HENRY DRAYTON: It would be a great mistake to waste much time in looking up the record because I think everybody knows what happened. There was a proper examination; the proper man was appointed—that is, the man who easily headed the list, unless what I heard in that riding is absolutely wrong; unless the returned

soldiers' organizations are absolutely misinformed. He was not given a chance to look at the department. That appointment was made in the ordinary way by the commission, but it did not suit politically in connection with the election. It was necessary to look after the son of the chairman who was running that riding, and the man who was appointed never had an opportunity of showing whether he could do the work or not. He was never taken into the service at all. There was no delay; there was no necessity for anything to be done in the way of finding out whether or not the man was any good. He was not politically right. He had no chance of making good. He was simply "canned" before he entered the service. I do not think my hon. friend will be able to find in the department much information that will show anything else. I know that was never denied in the riding and I happened to be there for a couple of days. I do not know whether my hon. friend thinks he can find something, but I can save him the trouble. Of course that is the sort of thing that is done every now and then—I am not blaming my hon. friend—by this government; it is their practice. They say that they cannot get along at all with Civil Service Commission appointments. When it does not suit them to take such appointments, they do not take them; they simply say: This man or that man will not do. They may quarrel with the colour of his eyes or the record of his grandfather or grandmother or something like that which has nothing whatever to do with the matter.

5 p.m.

Mr. JACOBS: They may quarrel with the colour of his politics.

Sir HENRY DRAYTON: My hon. friend is absolutely right. I accept, in the spirit in which it is offered, his suggestion which is absolutely correct.

Mr. JACOBS: I do not admit that.

Mr. ARMSTRONG (Lambton): It would be an easy matter for the deputy to furnish the committee with this information at the next sitting.

Mr. BOIVIN: Certainly.

Mr. ARMSTRONG (Lambton): Why not say that that will be done, and the matter could be closed?

Mr. BOIVIN: I have already promised on two or three occasions that that will be done.

[Sir Henry Drayton.]

Mr. ARMSTRONG (Lambton): But I listened to the minister and he gave those who inquired to understand that he would furnish them with the information before the items of his department were disposed of.

Mr. BOIVIN: I meant as soon as possible, but of course I expected we would have to hold over one item until to-morrow.

Sir HENRY DRAYTON: I congratulate my hon. friend on the progress he is making. We have received from him the first item which goes to make up this total, namely the item of salaries amounting to $5,753,815. Will the minister go on with the rest of the details?

Mr. BOIVIN: The rest of the details are contingencies.

Sir HENRY DRAYTON: How much?

Mr. BOIVIN: The item is made up of salaries and contingent expenses. The contingent expenses are composed of the overtime paid to the men, notwithstanding anything contained in the Civil Service Act. In addition to that there are the rentals.

Sir HENRY DRAYTON: That is hardly a contingency.

Mr. BOIVIN: It is included in this vote as a contingency.

Sir HENRY DRAYTON: How much for temporary buildings and how much for rentals?

Mr. BOIVIN: The contingent account for the first six months of 1924-25 is $484,658; based on that, for the entire year it will be about $969,000. For 1925-26 the contingent expenditure was $523,936, which proportionately for the entire fiscal year would be $1,048,000. The increase for the first six months of 1925-26 over 1924-25 is therefore $39,278.09, which appears to be normal, as it is accounted for by actual increases of $16,450 for overtime at Halifax, $4,000 for overtime at Windsor, Ontario, and $12,550 distributed over other ports throughout the Dominion.

Sir HENRY DRAYTON: How much of that is in rentals and how much in temporary buildings?

Mr. BOIVIN: That unfortunately I do not happen to have at hand. Under the system of accounting in the department the amount is not divided. The items would have to be picked out and it would require a certain amount of calculation.

Sir HENRY DRAYTON: Can my hon. friend tell me what buildings he is now renting? Take Toronto, for instance.

Mr. BOIVIN: I think there is a little misunderstanding in the mind of my hon. friend concerning rentals. There are very few rentals. Most of the rentals are paid by the Public Works department. My hon. friend knows that the customs rentals for all the larger offices throughout the country, as well as the buildings occupied by the customs when they cost more than $5,000, are rented or erected by the Department of Public Works. It is only the little buildings at the outports costing less than $5,000 that are built by the Customs department; and it is only when the rental is proportionately small that it is paid by the customs at all. We have a few leases for small quarters, but all the large rentals are paid by the Public Works department. So I think I am quite within the mark when I say the rentals would be less than $40,000 a year.

Sir HENRY DRAYTON: A discussion takes place every now and again, Mr. Chairman, the underlying idea being that we should have some definite information of the cost of civil government. For instance, the votes for salaries should be grouped. I think that is something that my hon. friend the Minister of Finance (Mr. Robb) is of opinion ought to be done. It is something which his predecessor, Mr. Fielding, on one occasion at any rate, said ought to be done. But I observe that we still have the vote in the usual form. I quite agree that for purposes of comparison it is advisable not to depart from your system of bookkeeping, that it well may be necessary for comparative purposes to maintain figures set up in the same way that these are set up, but it would be a very excellent and a very proper thing to get our salaries collated so we would know what it is costing us to administer our civil service. Of course, just at present everybody is aware that there is no way of arriving at that information. We have lump votes here and lump votes there, and those votes not only are to be found in different places entirely uncorrelated one with the other, having regard to salaries and the like, but they also contain other items that on their face do not show the proportion covered. I wonder if my hon. friend has considered at all in connection with his department how much is entirely salaries, how much is entirely contingencies, how much is entirely rentals, and the like?

Mr. BOIVIN: I can give my hon. friend the exact amount of the salaries paid out of this vote.

Sir HENRY DRAYTON: I should like to have that information.

Mr. BOIVIN: In every item I can give the exact amount of salaries. Where the trouble comes is in overtime, travelling expenses and small rentals, which are grouped together in a contingent account. If my hon. friend happens to have in his hand the Auditor General's report for last year he might look, for instance, at part D on page 53. There he will find the entire salaries and contingencies paid out of this same vote for that year. Of course my hon. friend knows that we try to keep the bookkeeping uniform as much as possible. He will find in the same item—salary paid to the sub-collector, bonus, office rent, postage, telephone rent and petty expenses totalling $1,746.01. Of course, each item is detailed, the exact amount is given, but it would be necessary to pick out the small rentals in order to give the total asked for by my hon. friend.

Mr. MORAND: Mr. Chairman, to come back to Windsor for a moment, I would like to ask the minister how many officers are employed at the port of Windsor, and the number of outports.

Mr. BOIVIN: The outports of Windsor are Belle River, Sandwich and Walkerville.

Mr. MORAND: Are there no sub-ports to those again?

Mr. BOIVIN: No. The total number of employees at the port and sub-ports is 123. The total salary paid to those employees this year is estimated at $206,125, an increase over 1923 of $7,530, or an average increase of about $60 per employee.

Mr. MORAND: Were seven new men employed there this year?

Mr. BOIVIN: At Windsor seven additional officers were required, some for use at the ferry and some—the number is not given—for sealing cars At the port of Windsor itself, if I remember correctly, there were two new appointments. I am told that of the seven referred to, four were employed sealing cars and three at the ferry.

Mr. MORAND: What cars were those?

Mr. BOIVIN: Cars going through Canada in bond over the Michigan Central have to

be sealed. The salaries of those employed in fixing the seals are paid by the government, but we receive a refund from the railway company.

Mr. MORAND: Some of those officers are paid overtime, I believe. Is that overtime paid by the government or by the ferry concerns which require these men for overtime periods?

Mr. BOIVIN: There would be about $41,000 paid in overtime at Windsor—an increase of $8,000—and of that amount about $10,000 would be refunded by the railway companies.

Mr. MORAND: Could we have a list of the different companies who refund this overtime? I do not mean the amounts, but I would like to know the names of those who have employed these men overtime.

Mr. BOIVIN: The principal company would be the Michigan Central Railway, but there would also be the Pere Marquette, the Canadian National, the Canadian Pacific, and the ferry company when employees gave overtime service for their convenience.

Mr. MORAND: Do any of the export docks there pay for overtime service?

Mr. BOIVIN: No. There is no overtime paid to us by any of the export docks and there is no overtime paid to our employees on any of the export docks.

Mr. MORAND: By whom are they paid for overtime?

Mr. BOIVIN: Overtime is paid for services rendered before eight o'clock in the morning, after six o'clock at night, and on Sunday. Any services rendered by our officers outside of regular hours have not been charged to us, and therefore we have received no refund from the owners of the docks.

Mr. ARMSTRONG (Lambton): How many employees has the department at Sarnia?

Mr. BOIVIN: Thirty-eight.

Mr. ARMSTRONG (Lambton): And the total amount paid?

Mr. BOIVIN: The total amount paid to the 38 employees in 1925-26 was $54,540. We estimate that this year they will receive $60,285.

Mr. ARMSTRONG (Lambton): And what is the amount of overtime at that port?

Mr. BOIVIN: The overtime paid at the port of Sarnia amounts to about $15,500.

[Mr. Boivin.]

Mr. RYERSON: Will the Minister of Customs tell me the number of employees of the Customs department at the port of Brantford, and whether there have been any additions to the staff during the year 1925, either through the Civil Service Commission or as preventive officers?

Mr. BOIVIN: At Brantford there are 22 employees. They were paid last year $39,390, and will receive this year statutory increases amounting to $450. A preventive officer was appointed at Brantford; he has nothing to do with the Civil Service Commission, and is not an officer of the port of Brantford.

Mr. RYERSON: What recommendations were made for the appointment of the preventive officer at Brantford? Was there a demand for his appointment from that locality?

Mr. BOIVIN: I think that information was given to my hon. friend yesterday in reply to a question. He will find it in yesterday's Hansard.

Mr. RYERSON: I did not ask that question before. This is the first time I have asked it.

Mr. BOIVIN: Does my hon. friend refer to the appointment of Mr. Cummerford?

Mr. RYERSON: That is the name.

Mr. BOIVIN: Mr. Cummerford is not assigned to duty at the port of Brantford only, but covers the district as well. He is a member of the special preventive force, reporting directly to Mr. Wilson, who is chief of the special preventive service staff here at Ottawa. I cannot say at the moment, whether the recommendation came from the inspector or the chief preventive officer or from some person in Brantford, but I shall be glad to get that information for my hon. friend.

Mr. CHAPLIN (Lincoln): I would like to inquire from the minister as to the number of employees there are on the Queenston-Lewiston bridge.

Mr. BOIVIN: At Niagara Falls there are 65 employees, and on the Queenston bridge there are four customs excise examiners.

Mr. CHAPLIN (Lincoln): How many of them are employed on the bridge at night?

Mr. BOIVIN: I am afraid it would be very difficult to give my hon. friend that information without communicating with the collector in charge of the port.

Mr. CHAPLIN (Lincoln): My reason for asking the question is this: When I was home during the last week I saw an article in the newspaper to the effect that during one evening, when there was only one man employed on the bridge, four trucks had passed over the bridge in the face of the officer and had got clean away without ever making any report to anybody at the port. I sent a copy of the newspaper clipping to the deputy minister to inform him of what was reported. It seems to me in view of what is happening throughout the country that it is a very serious thing that four loaded trucks should pass over a bridge in the face of an officer, make no report, and get clean away with four loads of smuggled goods.

Mr. BOIVIN: My hon. friend is quite right when he says that he sent a newspaper clipping and reported the incident to the deputy minister. The deputy minister informed me of the occurrence and told me he was having the matter investigated. I am very grateful to the hon. member for bringing it to our attention. I hope he will realize that it is not with my consent and approval that these things are being done. There are abuses throughout the country, but with a service of about five thousand men, they cannot all be perfect, and it is only by following up these cases when they are reported to us that we can weed out those who are not worthy of being in the service. My hon. friend can rest assured that the moment the guilty parties are found their services will be immediately dispensed with.

Mr. CHAPLIN (Lincoln): My reason for speaking to the minister now is that I understand it is the common practice at that particular bridge to keep only one man there all night, and that is what I want to bring particularly to the minister's attention. If that is so, I want to say that the United States government never allow their end of the bridge to be without at least two men, one to protect the other. At our end of the bridge there is a barrier which is thrown down at night to prevent just such a thing happening. What happened in this particular case was this: A car comes in, the barrier is raised, and the man deliberately backs his car in and prevents the barrier from going down, and then four trucks immediately pass over. That is what actually happened, and it was probably due to the fact that we had only one man on duty there all night, doing two men's work.

Mr. BOIVIN: The matter has been brought to the attention of our district inspector and I can assure my hon. friend that hereafter, within two or three days, there will be more than one man continuously on duty at that bridge. I thank my hon. friend for having brought this matter to my attention.

Mr. SMITH: I understood the minister to say some time ago that an official had been appointed at Malagash during the past year. Malagash is in Cumberland county, not near Amherst as I think the minister stated. I should like to find out what this officer's duties are and his salary.

Mr. BOIVIN: When I said near Amherst, I meant it was a sub-port or preventive station under the port of Amherst. J. G. Train is the name of the employee. He was appointed on September 9, 1924, and has the rank of customs excise enforcement officer. He is 43 years of age, and gets the enormous salary of $200 a year.

Mr. MORAND: Has there been a new appointment made at Tilbury, or has the old appointment been renewed? What port does that come under?

Mr. BOIVIN: Does my hon. friend refer to the position occupied by W. A. Hutton?

Mr. MORAND: Yes.

Mr. BOIVIN: His services terminated on December 2, 1925. The vacancy has been reported to the Civil Service Commission, and I understand is now being advertised, but no appointment has yet been made.

Mr. MORAND: Who is acting there at present?

Mr. BOIVIN: One of the relieving officers appointed for such work in the district pending the appointment of a permanent official.

Mr. MORAND: Who were the actual relieving officers appointed in the port of Chatham, since that time or just prior to that time?

Mr. BOIVIN: I do not think there were any, I am under the impression that Mr. Mackenzie from the port of London is at present relieving officer at Tilbury.

Mr. MORAND: Would the minister give me the definite information to-morrow, if he can?

Mr. BOIVIN: I certainly will.

Mr. MORAND: Because I am under the impression that an appointment has been made since that time, although I may be wrong.

Mr. BOIVIN: My hon. friend will have the information to-morrow.

Mr. NICHOLSON: Under this one item of salaries and contingent expenses of the several ports of the Dominion, temporary buildings, and so on, there has been an increase in two years of $924,253.41. Has there been a corresponding increase in the revenue of the department of Customs and excise that would justify an increase in salaries, leaving out altogether the preventive service, of approximately $1,000,000?

Mr. BOIVIN: I shall include the preventive service in the figures I am about to give to my hon. friend. They will show complete revenue and expenditure for the past four years:

1921-22	
Revenue..	$233,359,133 30
Expenditure..	7,523,575 48
Cost of collection per cent..	3.22
1922-23	
Revenue..	$279,229,466 71
Expenditure..	7,202,106 37
Cost of collection per cent..	2.58
1923-24	
Revenue..	$298,721,419 55
Expenditure..	7,435,931 59
Cost of collection per cent..	2.49
1924-25	
Revenue..	$249,786,807 83
Expenditure..	7,698,175 79
Cost of collection per cent..	3.08
1925-26 (9 months)	
Revenue..	$268,518,930 23
Expenditure..	7,300,008 62
Cost of collection per cent..	2.71

Sir HENRY DRAYTON: I suppose the figures my hon. friend has been giving are inclusive figures.

Mr. BOIVIN: Yes, I gave the customs and excise figures up to 1925 and then for the nine months of 1925-26 the figures are for customs, excise and income tax.

Sir HENRY DRAYTON: The figures would have more interest if they would just show what the customs revenue is when we are considering these customs expenses.

Mr. BOIVIN: These are not only customs expenses but excise expenses as well.

Sir HENRY DRAYTON: That is true.

Mr. BOIVIN: The salaries of the excise officers throughout the country are paid out of this vote.

Sir HENRY DRAYTON: This covers sales tax just the same, but there have been such changes made in the sales tax that it is pretty hard to make any comparison.

[Mr. Morand.]

Mr. CHAPLIN (Lincoln): I should like to inquire from the minister if it has not been the custom to figure customs by itself in the blue books ever since 1867, when they began to keep a record—

Mr. BOIVIN: Certainly.

Mr. CHAPLIN (Lincoln): —of the cost of customs collection alone. What has been the cost of collection of customs for the last three or four years?

Mr. BOIVIN: We can give to my hon. friend the exact customs revenue. We can give him also the exact excise revenue and the exact sales tax revenue. It is impossible to give him the exact cost of collecting each of these revenues because the figures showing the cost of collection are grouped together. If my hon. friend will secure a copy of the annual report of the Department of Customs and Excise, which I laid on the table a few days ago, he will find the information.

Mr. GEARY: I do not like to have the minister jumping from one subject to another, but may I go back a moment to the question I was asking a short time ago. I understood the minister to state that in connection with these salary items there would be a refund of probably a million and a half.

Mr. BOIVIN: I corrected that. I said that applied to the salaries paid out of the different votes in the Dominion, not out of this particular item. I think I said that the last refund of salaries provided by this particular vote was $400,000 in round figures, or less than half a million. That is the amount indicated as the refund for the last fiscal year. I am sure that I said that the total refunds on money expended for salaries amounts to about a million and a half.

Mr. GEARY: As I look through the Auditor General's report, I find that the revenue in the Customs and Excise department is 292 million odd. That will be found in volume 2, part D. But I see no item there that would include refunds. I see the items, "customs duties", "excise duties", "excise taxes", "income tax", "business profits tax", "casual revenue",—$400,000—and "fines and forfeitures." There is no place there for such an amount in the preceding year. I wonder how it got back into revenue.

Mr. BOIVIN: If my hon. friend will look at part D, page 8—

Mr. GEARY: That is what I have.

Mr. BOIVIN: —he will find the casual revenue received by the department. The total casual revenue on page 8 would be $400,924.59.

Mr. GEARY: Yes, that is it.

Mr. BOIVIN: I am told by my deputy minister that that is the amount reimbursed to us by the railway companies.

Mr. GEARY: I understand that, but the point I am making is that it is too small an amount, in view of the hon. minister's statements as to a million and a half this year, or when reduced, as he later states, to $769,000, whereas last year it was only $400,000 altogether.

Mr. BOIVIN: There is certainly some other item or account under which refunds of salaries and other amounts paid back to the department are accounted for. I shall get the information and give it to my hon. friend tomorrow if possible.

Mr. GEARY: And the minister will be good enough to indicate the amount for the year 1924-25.

Sir HENRY DRAYTON: If the matter is just left in the way my hon. friend puts it, it appears to me that perhaps fairness is not being done to his department. This is looked upon as a matter of revenue purely and simply. It is something that is not taken into consideration when arriving at the figures showing the cost of collection. I admit it is merely a summary and he can only give a rough estimate, but if he is right in his idea that there is perhaps a million and a half of salaries altogether repaid to his department, and if that merely comes in as revenue instead of as reduction of the cost of running the department, it is manifest that the department is not getting credit for nearly the service given to the country and the ratio of cost. I should think the subject would be well worth looking into.

Mr. BOIVIN: My hon. friend is perfectly right. I am informed that in previous years the department was authorized to credit to its expenses the refunds made to it for salaries. The vote that was formerly asked for was in reality the net amount of the vote actually expended by the department for the collection of revenue. Under instructions from the Auditor General the new system has been adopted. Now every dollar expended must be voted by parliament, and the refunds made must be credited to revenue.

Sir HENRY DRAYTON: The auditor may be right for the purpose of bookkeeping in connection with the matter of salaries themselves, but if it is done in the department that way, as a matter of fairness to the officers of the department I should have thought the items coming in would have been applied in connection with salary lists, and that the general public would not have been given credit for those items as they are when it comes in as casual revenue. That may have something to do with the matter. It may be my hon. friend's accounts this year have been unusually swollen by reason of that fact. I was looking back at the vote of 1921-22, when we were told we were horribly extravagant in connection with the administration of this department.

An hon. MEMBER: Hear, hear.

Sir HENRY DRAYTON: My hon. friend says "hear, hear." I am afraid he must of necessity vote against this item, because we were told we were extravagant in connection with this very vote of salaries and contingent expenses in the different ports of the Dominion, and the vote then was $1,234,000 less than the public are asked to pay this year. It may well be that the new ruling of the Auditor General accounts for something of that.

Mr. BOIVIN: It accounts for about $20,000,000.

Sir HENRY DRAYTON: I would have thought my hon. friend has rather in his opening taken away from himself that defence, because he pointed out that the increases—

Mr. BOIVIN: For last year.

Sir HENRY DRAYTON: —for last year were very small, but perhaps it might have come in the year before, when there was about half a million of an increase. It may be that that was when the direction of the Auditor General was putting the department in an unfortunate position. It is the sort of thing we should know about at once, because on the face of it, it now looks as if the public were being asked to pay for the same services much more money than they ought to pay, particularly when the government are so fond of telling us that they are reducing the cost of living, the cost of the public services and the like, so that the dollar to them is worth far more than it was in 1921. If I were to adopt just what these hon. gentlemen say themselves, their extravagance on the face of it is perfectly appalling in connection with this item, because not only is the vote swollen by $1,234,000, but the dollar is worth so much more. My hon. friend will remember that when we started discussing this item he was able to show

economy because older men had been retired and new men had been appointed. My hon. friend shakes his head. I think he will find that is what he pointed out. I think he will find that he stated in connection with these additions to the staff that forty-eight men were appointed at a cost of $59,210 and that by reason of retirements and the like there was economy in other directions, the net increase being thereby reduced. If I am wrong in that I want to be put right at once, but that is my recollection of what he said.

Mr. BOIVIN: I will correct my hon. friend. I said that the net additions to the staff accounted for an increase of $59,210. Decrease due to promotions, appointments and retirements filled by lower paid men, amounted to $57,330. There was also a statutory increase of $169,530.

At six o'clock the Speaker resumed the chair and the House took recess.

After Recess

The House resumed at eight o'clock.

THE INTERPROVINCIAL AND JAMES BAY RAILWAY COMPANY

Mr. GEORGES PARENT (Quebec West) moved the second reading of Bill No. 5, respecting the Interprovincial and James Bay Railway Company.

Sir HENRY DRAYTON: Will the hon. gentleman kindly explain the bill?

Mr. PARENT: Mr. Speaker, I think the hon. gentlemen would probably get the best explanation by reading the bill, which speaks for itself.

Sir HENRY DRAYTON: What is it?

Mr. PARENT: I believe if the bill is referred to the committee on Railways and Canals full information could be given to the satisfaction of hon. members. The bill only asks for an extension of time.

Sir HENRY DRAYTON: That is the explanation.

Motion agreed to and bill read the second time.

SUPPLY

DEPARTMENT OF CUSTOMS AND EXCISE

The House in committee of Supply, Mr. Duff in the chair.

Mr. GEARY: Mr. Chairman, before recess the Minister of Customs and Excise was good enough to intimate that he would supply particulars of the amount which will be refunded to the department in respect to Sunday work and so on performed by his officials for the accommodation of certain companies. He suggested at first that the amount would be probably a million and a half, but subsequently he made it $700,000 odd. However, I did not understand him to say that he could furnish particulars; I should judge that the amount must be at best an estimate. I call his attention to the fact that the same item apparently occurred in 1924-25, and that the only amount in the Auditor General's statement of revenue that would appear to cover such transactions is an item of $400,000 under casual revenue. The minister is to get those figures to show how the estimate for the present year is made up.

I call my hon. friend's attention to the first page of the Auditor General's report where reference is made to the custom that has existed for some time of the retention of certain moneys by the department to pay drawbacks, and so on, from revenue. The amount of such moneys in 1924-25 was $22,500,000—I am giving round figures. The Auditor General says that the general summary of revenue does not include this item of $22,500,000—

—which, though included in the revenue deposits to the credit of the Receiver General in the first instance, was subsequently refunded as drawbacks of Customs, Excise refunds and similar items chargeable to revenue.

The minister states that no refunds of wages are included in that $22,500,000. The Auditor General says this retention is—

—in accordance with a long standing custom. This custom has been brought to the attention of the House of Commons in previous reports.

May I ask the hon. minister whether he has considered it a desirable state of affairs that $22,500,000 should be received and credited to the Receiver General and disbursed by the Department of Customs and Excise, but not through the ordinary course of vouchers, checked and approved by the Auditor General? It just occurs to one that when there is a sum of $22,000,000 odd available by the department to pay drawbacks and refunds, it would be well that that sum should pass through the ordinary system of accounting by the Auditor General. I do not suggest anything wrong at the moment, but it does provide a fruitful field for favouritism and that sort of thing in the refunding of moneys, unless we have a close check and a properly audited voucher system for that amount.

Then I draw my hon. friend's attention to the fact that the figures he gave me for 1924 and 1925, receipts $249,000,000, disbursements $7,700,000—again I am using round

figures—which show the percentage of cost to revenue as 3.08 per cent, cannot be made up by a reference to the Auditor General's summary on page 30, part D, volume II of his report. I judge that in that amount one will find $22,000,000, the sum which I have referred to just now. If that is so, I would point out that $22,000,000 should not be credited to revenue there because it is to be paid out again, and if it is taken off the figures which my hon. friend has given, his percentage of cost to revenue suffers a slight increase. If I am right in my contention that result follows. The point of my remarks is simply that my hon. friend may be doing himself an injustice in charging as salary an amount which includes payments which are to be returned. On the other hand I should like again to draw his attention to the point raised by the Auditor General, referring to the custom of disbursing $22,000,000 otherwise than through the ordinary channel. My last point is the combination of the previous two, in the statement showing the percentage which he gave me. I hope I have made myself clear.

Mr. BOIVIN: The hon. member has made himself quite clear. The first knowledge I had of this contention on the part of the Auditor General was when I saw the report to which my hon. friend has referred. The matter will be taken up with the Auditor General and discussed with him. I think it will be a very difficult matter to have the Auditor General initial and approve all the vouchers for cheques for refunds. We have a drawback staff which has to go to the factories of the different firms claiming drawbacks, and it is only there that the actual amount of merchandise imported from other countries and used for export can be determined. All the payments are made from the department here after the drawback claims have been received and checked over by our officials. Whether or not it would be feasible to have a further check by the Auditor General, and whether or not it could be done rapidly enough to not interfere with trade and commerce is a matter that I will not say is under consideration but that I will take under consideration at once. I think he is quite right about the disparity between the net revenue shown in the Auditor General's report and the gross revenue given by me to the committee this afternoon. The gross revenue of $249,786,807.83 shows the percentage of cost of collection to be 3.08. That is not the percentage of cost of collection to net revenue, but those figures show the actual cost of collection of the revenue. I realize that my hon. friend is perhaps more correct than I am if it is desired to show the exact cost of collection of net revenue.

Sir HENRY DRAYTON: Before passing this item I would like to draw my hon. friend's attention to one matter which we have not yet covered, in connection with the retirements, the amount of pensions which we are paying to men who have been retired, the amount of bonuses and the like. That, in one sense, no longer appears as a cost in connection with this department, but it nevertheless is a cost in connection with the staff of the department. I would like to ask my hon. friend about that now.

Mr. BOIVIN: I could get a list showing the retirements, if that is what my hon. friend desires. I want to thank my hon. friend for the point he made in my favour just before adjournment. I agree with him and I thank him for his remark that it is perhaps a little unfair under the system now employed by the Auditor General to make us show as expense moneys paid out in salaries which are eventually refunded to us by other parties.

Sir HENRY DRAYTON: Certainly there is some change to be made in one direction or the other. Surely the logical thing is to show that not as actual revenue but as something which is going to decrease the cost of the department.

Mr. MACDONALD (Kings): Mr. Chairman, before the item carries I would like to refer again to the question of preventive officers, which was discussed to some extent this afternoon. I might say that around the coast of Prince Edward Island the preventive officers would have to be very numerous to be of any value. I suggest to the minister that a better way, indeed the only way to get results with a coastline such as that of Prince Edward Island, would be to prevent the stuff from leaving the ships. The vessels lie a few miles off the coast, which contains innumerable bays and creeks and rivers and inlets, and in order to prevent material being landed you would have to have preventive officers everywhere. The practice has been, as I understand it, to look after it to some extent by one patrol boat, but it is utterly impossible for one small boat to look after such a coastline. The result is that the traffic is in and out all the time, with perhaps three or four or five vessels close to the coast all summer. It has created a very bad condition there; liquor is very cheap at the vessel, and four or five fellows put up a few dollars each, send out a motor boat and get a case of liquor. That sort of traffic is very heavy, and we have as well the bootleg traffic. Taking all things into consideration I do not see how the Customs department can have any success

whatever in stopping the landing of that liquor unless further patrol boats are put on. I do not think enough preventive officers can be put around the coast to prevent it from coming in, and I would like to suggest to the minister that one patrol boat is certainly not sufficient.

Mr. BOIVIN: At the present time we have in Prince Edward Island two boats, the Margaret and the Buzz. Two boats are not sufficient. It is impossible to place a preventive officer on every creek and inlet on the shores of that island. It is our intention to provide protection there by more patrol boats. I will not say they will be purchased; it may be that they will be leased, if good boats can be found for the purpose of trying out the system, without entailing too large a capital expenditure.

Mr. MANION: In regard to offices rented in the customs building in various places, are rentals allowed by the Public Works department, for example, to the Customs department for the use of these offices?

Mr. BOIVIN: There is no charge made by the Public Works department to the Customs department for these offices.

Mr. MANION: The buildings are in charge of the Public Works department? It is the other way?

Mr. BOIVIN: There is no charge either way.

Item agreed to.

Salaries and travelling expenses of inspectors of ports and of other officers on inspection, preventive service, and in connection with the Board of Customs; the latter including salaries of $1,500 for the chairman, $1,000 each for three members and $500 for the secretary, $854,065.

Mr. MANION: Why the increase in this item?

Mr. BOIVIN: My hon. friend will notice the increase is very small as compared with the increase in the previous item. This increase is due entirely to what is known under the Civil Service Act as the statutory increases. I can give the exact number of officers promoted, if my hon. friend insists.

Mr. MANION: No, but I find myself wondering sometimes why it is that year after year ever since I have been here, and I have been here nearly ten years now, we get the same story to explain these increases—statutory increases. Do the statutory increases go on indefinitely? That is what puzzles me at times. Suppose we should last another hundred years; will these keep on increasing year after year?

[Mr. Macdonald (Kings).]

Mr. PARENT: I hope the Civil Service Commission will be dead by that time.

Mr. MANION: I hope this government at least may be dead by that time, because I rather think that a lot of these increases are due to this government, and not to the Civil Service Commission at all. It is simply a case of passing the buck to the commission, I am afraid. Would the minister explain whether these statutory increases are going on for all eternity?

Mr. BOIVIN: I will do my very best. I will say at once that I had been just as much puzzled as my hon. friend ever since I came here until the matter was explained to me the other day. I do not know whether I shall be able to make myself clear to my hon. friend because the man who explained it did not make himself quite clear to me. I am told that on a certain date every employee blanketed into departments by the Civil Service Act and all employees employed after that date, go into the service at a certain minimum salary. That salary is gradually increased over a period of years and finally reaches the maximum salary. Like my hon. friend, I believed that some day we would reach the happy time when, with those at the top retiring from the service and being replaced by others starting at the minimum figure, we could administer the service without further increase. We could arrive at that point and the service would adjust itself in that way, however, only upon two conditions. The number of employees must not be increased, and the salary scale must not be changed. The reason why "statutory increases" is invoked every year to explain increased estimates is that requests are constantly made to the Civil Service Commission for re-classification and increases in minimum and maximum salaries. I know I have not been clear, but I have done the best I could.

Mr. MANION: I presume the minister has explained it as well as he knows how, but I think I know as much now as I did when he got up; I confess I do not know very much about it now. It is a very difficult thing to explain. If it were not for the fact that I would be afraid of being misunderstood in this city of civil servants, I would be inclined to ask if none of them die, but being in this city I would not ask that, because some of the press might say I was wishing for some of them to die off. It does seem strange, however, that in every department every session there are these same salary increases, and the same explanation.

Perhaps it will come in handy next year, when we are in power, to offer the same explanation, but I confess I find the explanation rather difficult to believe at times.

Mr. BOIVIN: I want to assure my hon. friend that the civil servants who are dead will not blame him for his remarks—

Mr. MANION: I am not afraid of them.

Mr. BOIVIN: Let me also say that when his party does come into power in the far and distant future, there will be statutory increases in the estimates to explain.

Mr. GARLAND (Bow River): Do they think they ever will get into power?

Mr. MANION: Not with the help of my hon. friend.

Mr. BOIVIN: Perhaps they will, when the civil servants are all dead.

Mr. MEIGHEN: The government is so close there now that the minister has the vision splendid. I want to make a comment on one or two interruptions as well as on the words of the minister. In the first place, the practice of attributing everything to the Civil Service Commission—

Mr. BOIVIN: We are not doing that.

Mr. MEIGHEN: It was not the minister, but the hon. gentleman to his right. I expected the minister to rebuke him, but he remained strangely silent. The Civil Service Commission has as much to do with these statutory increases as they have to do with the sun spots—just as much.

Mr. BOIVIN: Except that they make the classifications.

Mr. LAPOINTE: It is the law.

Mr. MEIGHEN: It is the law, certainly, but the law is not what the minister explained. The law does not compel the government to give any increases whatever. The law simply places within the discretion of the government certain limited increases which they may apply or not apply, and the intention of the law was that the government would apply them as a reward for assiduous service to the public in the capacity in which the civil servant might be. Consequently, the application of these increases is entirely within the discretion of the administration, and they are responsible for each and every one applied. The power is theirs, but I am afraid the increases have become more or less automatic, and I do not know how it is ever going to be anything else if the practice of this government is followed. They have taken a certain group of civil servants and have increased their salaries by a very large percentage. They first of all adopted one limitation, and when that did not suit them, they put the increase upon another basis, and then when both failed to meet all the cases they wanted to cover, they abandoned all limitations and gave increases to everybody. Having pursued that course, I do not see how the government is in a position to deny almost anything to the civil servants underneath. Consequently, the automatic principle applies, and away goes the statutory increase every time; all limitation is abandoned. But there is no mystery about it all. Nor is there very much hope in the words of the minister when he says that the time may come some time when those who go out at the far door, the large-salaried men, will be so numerous that the amount saved in that way will offset the statutory increases, and that we will thus get to a point where the expenditure for salaries will be stationary. There were just as many old men when this law was enacted as there are to-day. There were just as many men fit to be retired the first day this law went into effect as would be retirable next year, or ten years from next year. Consequently there is no hope that the increased retirements later on will have any more effect in offsetting the statutory increases than those retirements have to-day. The only way it could be offset would be either to abolish the power or to restrict the application of the power by some system of discrimination. I do not really see that it is much good to give statutory increases while they are automatic. If they are to apply to everybody why, of course, they are no incentive to service at all. If everybody is to get them, then service does not make them any more helpful to the man who works than if he did not work at all. He might as well be talking to the girls around the corner as working if he is going to get his statutory increase just the same. What I want to impress on the minister is this: he must take the responsibility for the statutory increases himself; he cannot shift it upon the statute, much less can he shift it upon the Civil Service Commission.

Mr. ROBB: I agree with much my right hon. friend has said, but surely he will not blame this government for the statutory obligations that we found when we came into office.

Mr. MEIGHEN: They are not obligations.

Mr. ROBB: Yes, they are obligations.

Mr. MEIGHEN: No, no, they are not.

Mr. ROBB: Just prior to the last general election there were a number blanketed into the service and given a standing, or a grade or salary, by the Civil Service Commission. They might start at $700 and would run up year after year until they came to a thousand. We had these obligations upon us.

Mr. MEIGHEN: No, you did not. The obligation is not there. It is only a power in the government to grant an increase but there is no obligation to apply the power.

Mr. ROBB: They are put into a class and they get the increase automatically until they reach the maximum of that class.

Mr. MEIGHEN: Will the minister read the statute?

Mr. HANSON: Has there been a reclassification of the civil service every year? The minister rather pointed to that fact, but is there such a reclassification? In the short experience I have had here I have heard of the efforts made by civil servants to get themselves reclassified. They are naturally ambitious to get into a higher classification, and I have no doubt that constant effort is being made by various civil servants to attain that end. Now, has it become the practice under this government to have a reclassification every year, and does that account for the increase?

Mr. BOIVIN: No. There has been no general classification since the government came into power, but there are partial reclassifications every year. The most frequent reclassification is a reclassification increasing the minimum and maximum salary of a certain class of employees.

Mr. HANSON: That has not had much effect in raising this item?

Mr. BOIVIN: No, and I agree with what my right hon. friend the leader of the opposition has said concerning the right of the government to refuse to give the statutory increase to the employees.

Mr. MEIGHEN: Hear, hear.

Mr. BOIVIN: The government is empowered to do that, but the government led by my right hon. friend did not refuse to do it. I am very sure my right hon. friend did not say he would refuse to do it when he spoke at the Auditorium on the eve of the last election.

Mr. MEIGHEN: I did not refer to the subject at the Auditorium, save to correct just a few foolish rumours circulated by the friends of the minister. But I am aware, distinctly aware, that in cases we did refuse the statutory increase, and that I did myself, so that the minister will have another apology coming in addition to that of this afternoon

Mr. BOIVIN: In my department, when the inspector makes a report that an officer's conduct is only fair, no statutory increase is given to him, but where his conduct and efficiency is better than fair he is given his statutory increase.

Sir HENRY DRAYTON: Perhaps my hon. friend, since we are getting into this kind of experience—trying to find out what the other fellow did, and matters of that kind—would turn his attention to another direction and explain why it is, if things were done so loosely under the former administration, with no refusals to increase here, there, and everywhere, he has got to ask for $232,000 more for his department than was asked under the former administration? That would be very much to the point if he would do it.

Mr. BOIVIN: I do not accuse the last government of such terrible looseness, I said that the last government—and I am not blaming them for it—gave the statutory increases to all employees who were worthy of them. We have been doing the same thing. But my right hon. friend is certainly not referring to the proper item, because the total increase in this item is only $40,816.

Mr. MANION: That is since last year.

Sir HENRY DRAYTON: I am taking my hon. friend back to the time when, as he says, the former administration did not stop increases. I am going back to the year 1921-22.

Mr. BOIVIN: That is too far.

Sir HENRY DRAYTON: To 1921-22, four years ago, is that too far? It is the last year to which we can go.

Mr. BOIVIN: That is not too far but my hon. friend will admit that at that time the bonuses paid to the civil servants were voted separately and did not form part of the item that the hon. member brings into comparison with this vote.

Sir HENRY DRAYTON: There was a bonus, there is no question about that; but the bonus falls very far short of making up this increase, which roughly speaking, is something like 40 per cent in this vote. Now as

to the vote asked by the Conservative administration, I am taking the year I have mentioned, but I could go farther back and get a lower amount; I could go back to 1921, which was our last complete year. But I am not doing that; I am taking a year in which this government had to do with three months of the preparation of the costs, a year in which they submitted estimates which they claimed were our estimates. I can make the position much worse if I take 1921, but I do not do that; I am minimizing the situation as much as I can, and I find that under this vote all that was asked in 1921-22 was $621,380, whereas to-day we are asked to pay $854,055. There is an increase of $232,675 on an item of $600,000 odd. Perhaps it would be much better if my hon. friend, instead of going into ancient history, would explain why it is we have an increase of that kind in the period of four years.

Mr. BOIVIN: I want to assure my hon. friend that I do not want to go into ancient history; I would be perfectly satisfied to explain the increase for the present year.

Sir HENRY DRAYTON: My hon. friend cannot take it coming and going, just when it suits him to take it. I am quite sure he would be quite content to take all the estimates without any explanation at all.

Mr. BOIVIN: Oh, no.

Sir HENRY DRAYTON: I would not blame him in the slightest for being so content. But, Mr. Chairman, here we have an increase during the lifetime of this government—I have not figured it out, but it must be 40 per cent—in a mere matter of administration and that applies to a government which is making all kinds of extravagant claims to economy. Now the best way to test this claim is to test it right in connection with this particular vote we have before us. What excuse is there for this "government of economy" increasing that vote 40 per cent? It is not a matter of ancient history, but I am trying to see where we are going to wind up. Has my hon. friend reconstituted his board of customs?

Mr. BOIVIN: No we still have the same board.

Sir HENRY DRAYTON: Are there any new jobs in the board of customs?

Mr. BOIVIN: Messrs. Farrow, Blair, Breadner, Taylor and Wilson are still the members of the board.

Sir HENRY DRAYTON: If there is no increase in the number, why is the vote changed? Why is the $1,500 put in?

Mr. BOIVIN: There is $1,500 which is paid to the chairman of the board. If my right hon. friend will refer a few years back he will find this same vote in the estimates of previous years. It was taken out when the salaries of the deputy ministers was raised to $8,000.

Mr. MEIGHEN: Will the minister show where it ever was in?

Mr. BOIVIN: It was in before. I have not the estimates for former years at hand.

Mr. MEIGHEN: I cannot see it.

Mr. BOIVIN: When the deputy minister was receiving a salary of $6,000 he was given an allowance of $1,500, as chairman of the board of customs. When the salary was raised to $8,000 that $1,500 was withheld, but the allowance made to the other members of the board was still paid. Mr. Breadner does not receive any salary as a member of the board of customs but his salary is $10,000. The other members of the board of customs receive $1,000 allowance as members of the board and the chairman receives $1,500.

Mr. MEIGHEN: So that he gets $9,500?

Mr. BOIVIN: He will get that amount if this item is passed.

Mr. MEIGHEN: I thought it was an increase, and ventured to say so, but the minister's first words intimated that it was the same as it always was.

Mr. BOIVIN: I did not mean to do so.

Mr. MEIGHEN: It is an increase of $1,500—from $8,000 to $9,500. Last year this item was out. I have the estimates of previous years before me, but not the whole of them, I have last year's estimates and I do not see such figures at all. The item reads:

Salaries and travelling expenses of inspectors of ports and of other officers on inspection, preventive service, and in connection with the board of customs.

The details are not given, but at any rate this is an increase over last year of $1,500 for one official. It all indicates the process by which the quarter million was arrived at in the three years.

Mr. MANION: Do I understand the chairman of the board of customs receives $9,500?

Mr. BOIVIN: The deputy minister of the department is at the same time chairman of the board of customs. If my hon. friend will look at the salaries paid the deputy ministers of the different departments he will find several of them receive a salary of $10,000 a year. Some receive $8,000 and some $6,000, depending upon their years of service. The

number of years of service of the present deputy minister should qualify him for the higher amount. The commissioner of taxation, the deputy minister of finance, and the deputy minister of justice are receiving $10,000 or more. Having seen my deputy at work and appreciating his devotion and ability, I thought it only fair to give him the same salary or very nearly the same salary as the other deputies were receiving.

Mr. MEIGHEN: I was going to ask about how long the minister expected that it would take to get all of the others up to this amount?

Mr. BOIVIN: Some of them are above that now.

Mr. MEIGHEN: I know, the process is on.

Mr. BOIVIN: No, the process will depend on the years of service, and perhaps some of those there now, under the system referred to by my right hon. friend, will have retired before the others advance. We hope some day under this regime, and perhaps later on under the regime of my right hon. friend, that we will reach that point where there will never be any more statutory increases, where every public servant will be perfectly satisfied with his position, where everybody will be completely remunerated, and everybody will be perfectly happy.

Mr. MANION: It would be the last thought in my mind to say a word against my hon. friend the deputy minister of customs, for whom I have the utmost respect. I have had dealings with him in an official way, and have every respect for him; this is not a personal reference to him. But I do say that a salary of $8,000 a year for a deputy minister, unless for some special cause, would appear to me, where it is a life job, as a deputy minister's job is, to be a pretty fair salary. Lawyers, doctors or other professional men--and most of them, with the rare exceptions of the very outstanding men in the profession, have at least as great a training as a deputy minister would have—would be quite satisfied with a life annuity of $8,000 a year. I notice that whenever there are any positions open, even if the salaries are about $4,000 a year many lawyers, doctors and other professional and business men are quite ready to apply for them. I do not believe in being niggardly in regard to salaries paid to public officials. I believe we should pay men from whom we get good work a reasonable salary. At the same time I repeat that $8,000 a year, generally speaking, without some special cause, should be a pretty reasonable salary for a life position for a deputy minister, and I am of the opinion that it is about time for this parliament to put down its foot and say that such and such a figure, whatever we consider is fair, should be the figure above which deputy ministers will not go. The matter is well worth consideration, because, with all due respect to the gentleman who occupies the position, and again pointing out that I am not saying or implying anything against him, because I have the utmost friendship for him, I believe that $9,500 a year for a life position with regular holidays is a fairly heavy salary for this government to pay, considering the heavy burden of taxation from which it is suffering.

Mr. BOIVIN: In the first place there is a great difference between an annuity and the earning of a salary as it is earned by the gentleman who occupies the position of deputy minister in the heavy Department of Customs and Excise. Statutory holidays are unknown to him. He works every night and every legal holiday, and his vacations are few and far between. He is obliged to do this to keep up with his work but he does it willingly and apparently with pleasure. It is because I have seen him at work that I placed the amount in the estimates for him. I thought he was entitled to this increase. I agree entirely with what my hon. friend has said concerning the size of the salaries paid to the civil servants. It may be that some of them are receiving too much. That does not apply to the deputy minister of my department. This increase is due him; I do not see why it should not be made. He has, I forget how many years of service, but he has been in the department almost since the year I was born. He has been and is an effcient and faithful servant. I am only doing justice in making his salary almost equal to those of several other deputy ministers.

Sir HENRY DRAYTON: The real trouble in connection with salaries of deputies is not what my hon. friend is talking about at all; it is the manner in which this government have handled the question. They did not approach the question from the point of view of work, merit or the like.

Mr. BOIVIN: I did.

Sir HENRY DRAYTON: I am speaking about why we find ourselves with a general run of deputy ministers' salaries raised from $6,000 to $8,000 and $10,000. It is not so very long ago when they were lower even than the figures I have given. The policy was introduced into the House by the then

Minister of Finance, the Right Hon. Mr. Fielding, that just so soon as a deputy had been so many years in service, irrespective of his office, irrespective of the amount of work, irrespective of his attainments, irrespective of anything except length of service, he was to be put into the higher register, and he was so put. The position I then took is very much the position my hon. friend takes to-day. I then pointed out that Mr. Farrow under that rule was being passed over altogether, not because he was not doing the work—he was doing far more than most of the rest—not because he was not worth the money—he was worth far more than most of the rest—but simply because he had not happened to hold that particular position for a certain length of time. As a matter of fact he was discriminated against. Anything I am saying now has nothing to do with the immediate vote to the deputy of this department, who certainly deserves just as much credit as the deputy of any other department, but it has to do with the general scale of increases put in for the reasons they were put in. The reason was a false one; it was entirely an error and it is costing the country a great deal of money.

Mr. BOIVIN: That is why I did not make the increase that way.

Mr. NICHOLSON: This discussion has revealed very clearly a situation with which parliament will have to deal sooner or later, namely that because the salary of a deputy in some other department has been raised, the salary of this deputy must be raised. Prior to that, in connection with the general increase of 40 per cent that has taken place, as the hon. member for West York (Sir Henry Drayton) has pointed out, we get the statement that the government is simply impotent in the hands of the Civil Service Commission or is surrounded by conditions with which it cannot cope, and consequently these increases go automatically into effect. The question the taxpayers are going to ask is: What are we here for? Do they send members to the House of Commons and do they have a government in office merely to act as a group of automatons to register decisions that someone else makes? Are the people who are paying 25 per cent of their gross revenue in taxes to be told from year to year as these increases continue to go into effect that the government and parliament are helpless; that there is no means by which we can check these continually advancing outlays; that the government is faced with a debt that is burdening the people to a point where business, industry and everything else are being strangled, and yet the government and parliament seem to be utterly helpless? The government say: We can do nothing; it is true we have increased this one item by over $200,000 in four years, but this is solely because of a condition with which we cannot cope. Where can we get a minister, who will say: I will manage my department as a business institution and bring the cost of it down to where it should be as a business institution? That is what the country is expecting this government and this parliament to do now. The people expect at least some effort to be made to bring down the total cost of government in this country, and we are not going to do that by the process that has been outlined this afternoon and evening—by simply saying: Somebody else did it, and I am following suit.

9 p.m.

Mr. BOIVIN: If it is possible to do that in any department, it will be done in mine. The cost of administering the department will be reduced, but it will be reduced by doing away with unnecessary employees. I shall never stand for a policy which will not give a fair and living wage to the man who earns it in either the Department of Customs or any other department. I will be frank with the committee. If there is anything I dread it is a dismissal. Nothing is more difficult for a minister to do than to say to an employee of a department: You must go; there is no more work for you here. In my department at the present time there are several vacancies for which money is being voted to-night, and I give the committee my promise that if I remain in the department most of those vacancies will not be filled, and the money voted this year in connection with them will, I hope, remain in the public treasury.

Mr. MANION: Why not leave it out of the estimates, and if another government comes in let them worry about getting it in again?

Mr. BOIVIN: I am not making any provision for any government of which my hon. friend might be a member because these estimates will certainly not apply. I made no change because I am a new minister in the department and some of my ideas and desires concerning economy may be altered before I get through the year. I am leaving the estimates for the different positions that are vacant and I am asking for an increase in the preventive service vote. I want to follow the direction given me by the House when the

Customs Inquiry committee has made its report. I do not say that I can do so in every respect; but I shall do the best I can to follow the will of the House, to economize and to keep down expenses in the department. I have a department in which it is very difficult to keep down expenses. Every dollar voted for my department is for contingent expenses or salaries. There are no contracts to be given, no rentals to be paid. It is not a spending department but a great collecting department, and if members of parliament desire to have the revenues properly collected they must provide the staff and means whereby those revenues may be collected.

Mr. NICHOLSON: I did not suggest that any man should work for less than a living wage or salary.

Mr. BOIVIN: If the hon. member will allow me to interrupt him. I do not think I said that, but possibly the tone of my voice —which will not appear in Hansard—might convey the impression that that is what I meant. I do not wish to reflect upon my hon. friend from East Algoma in the least, I know that he did not intend to make such a suggestion, and if my remarks were worded in a way to convey that impression, I hasten to withdraw them.

Mr. NICHOLSON: My point is simply this, Mr. Chairman. The whole discussion with regard to this and the previous item simply implies that the ministers are confronted with a condition that they cannot cope with—these increases must automatically go on. Now, my hon. friend has given evidence at least of a willingness to economize; he says there are a number of positions in his department that he is not going to fill. This is a splendid place to start to economize, and if the minister as a further earnest of his intention will simply say to the committee now how much of this item he desires to have dropped, I have not the slightest doubt in the world that the committee will accept his proposal. That is the point. The taxpayers expect us to find some means of cutting down the national expenditure.

Mr. MORAND: What proportion of this $854,065 is salary and what proportion is travelling expenses and contingencies?

Mr. BOIVIN: The salaries of the inspection staff of 120 officers represent $324,435, and the board of customs staff of 97 employees working here in Ottawa account for $291,765. The balance is made up of travelling expenses, contingencies and salaries of the members of the board of customs.

[Mr. Boivin.]

Mr. MORAND: What part of the $40,000 increase is for salaries and what part is for contingencies?

Mr. BOIVIN: The statutory increases represent $9,120. Additions to the staff, including the amount referred to by the right hon. leader of the opposition a moment or two ago for the chairman of the Treasury Board, represent $22,080. The decrease of $3,390 is due to promotions and appointments where vacancies are filled by lower paid employees. So that the additions to the staff cost $18,690, and the statutory increases, $9,120.

Sir HENRY DRAYTON: I wonder how my hon. friend really thinks we can justify passing this vote. Usually estimates are not put through because somebody may want them, possibly at some future date; they are voted because they are needed. Estimates are also passed because the accredited minister states on his responsibility that he wants the vote. My hon. friend to-night on his responsibility as a minister has stated that there are many cases where he hopes the money will never be used at all. That is, in the judgment of the responsible minister of this department the committee is asked to vote money which, he says, ought not to be voted. Of course, I can quite understand certain government supporters being prepared to vote for anything, but I wonder what their allies who have been saying so much about economy think of their vote for an estimate in face of a declaration by the responsible minister that that vote is not necessary. I think my hon. friend, who says he is out for a compaign of economy, owes it to himself not only to pick those items out, but to indicate the positions that he thinks he can dispense with, and reduce his vote accordingly. If he does that he is in a position to carry out his views as head of his department, and he puts this committee in the proper position of voting supply that the responsible minister asks for. As this stands at the present time, so far as I am concerned, I cannot support the vote.

Mr. BOIVIN: I am very sorry, Mr. Chairman, if this vote has to go through without the support of my hon. friend. I am not prepared to reduce the vote at the present time, and I have already told the House very frankly why. I have been in the department only about four months and a half. I do not know the first thing about my department, and no minister can master all its intricacies in less than a year. What I do know is that work in certain branches is being done by a staff which is reduced below the number provided for in

the estimates. I have not been asked by anybody in the department for the positions, but I have been asked for them by certain people outside. I have mentioned the matter to my deputy and he tells me that we can manage to get along as we are for the present, and until there is reorganization. No harm will be done by leaving the vote as it was last year, that is to say, providing salaries to pay the same number of employees. If the argument advanced by my hon. friend is right, no head of any department would be a responsible minister. Every minister asks for a certain amount more than he expects to use. There is no obligation upon the minister to spend it. My hon. friend knows that when he was Minister of Finance he did not draw from the public treasury every year the full amount of money that he had voted for his department for the purposes of expenditure. Seeing that he is guarded by the Civil Service Commission, surely the committee can trust a responsible minister of the crown and give him authority to expend a few hundred thousand dollars for the proper administration of his department if he deems it advisable to use the money. If because he promises economy and says that he is going to do his best to show satisfactory results, he is to be put in the humiliating position of having to ask for a supplementary vote, I do not think the committee would be fair to the minister. I do not pretend to have sufficient knowledge to reduce the vote now. I hope that next year I will be able to reduce many of my votes and still give efficient service to the country If I cannot do so I shall give the House the reason.

Sir HENRY DRAYTON: Mr. Chairman, my hon. friend dodges the issue entirely. It is perfectly true that no minister says he is going to spend all the money, and it is perfectly true that every minister ought to effect all the economies he can, but it is also perfectly right to say that no minister ought to ask this House to spend money which he thinks ought not to be spent. That is what my hon. friend has said, that so far as he is concerned he things it ought not to be spent. Yet he asks this House to vote it. This is the first time I have ever known such a thing to be done. Many votes are made which are not used; they are made in contemplation of use, because the minister believes they will be necessary. They are not made in the knowledge on the part of the minister that they ought not to be used. The minister here—and it may be that he does not know much about it; I am not blaming him for it at all—has information that it is not necessary.

Mr. BOIVIN: I did not say that.

Sir HENRY DRAYTON: I certainly so understood my hon. friend.

Mr. BOIVIN: I want to make that correction. I said that I personally did not know enough about the department to reduce these votes, that I had mentioned to my deputy one or two of the vacancies, and that he had told me that we would be able to get along without filling them for the present. I want to learn how long I can refrain from doing so, and I can only find out by putting the vote in the estimates.

Sir HENRY DRAYTON: We will take this diminishing protestation, but Hansard will show what was said. We will say it was only a few cases, and perhaps my hon. friend would like to get it down to two or three cases.

Mr. BOIVIN: Not at all. I would like to put it up to forty cases if there were forty vacancies, and I hope there will be forty by the end of the year. I hope I will be able to cut down the staff by at least forty without impairing its efficiency and without overloading and overburdening them with work.

Sir HENRY DRAYTON: As I was saying, the quantity is diminishing and I do not know whether or not it will further diminish. It has reached this point, that there were certain vacancies in connection with which the service, as my hon. friend finds it, does not require any further appointments. My hon. friend said not so long ago—that may shrink also—that the request to fill these vacancies came from the outside, from people wanting jobs. He received no request from his department at all. On the other hand the department was quite willing to go along without filling them.

Mr. BOIVIN: I have been so busy with other matters that I have not had time to sit down and discuss this question with the head of the department. I cannot give a better reason. We have had the Customs inquiry. That has meant the preparation of all those documents required for it. I was in attendance at council almost every day before the opening of the session, and the work that I have had to perform since I entered the government has been such that I really have not had time to discuss the matter with my officials. That is one reason why the vacancies are not filled and why the item is not reduced. If I had had time to discuss the matter, and the heads of the departments had agreed with me, I would have been only too glad to cut down the estimate as my hon. friend suggests.

Sir HENRY DRAYTON: Hy hon. friend puts it in an entirely different way now. I have to take what he says, and I think he is giving us the real situation now. I am going to meet him. Often we say things which perhaps we ought not to say, and I think perhaps his present statement—widely at variance as it is with the former one—is correct. However, I would press this further point. Why is it that he wants to get further tied up, and brings his estimates on first, when he does not know anything about them?

Mr. BOIVIN: I told my hon. friend the reason when I introduced my estimates this afternoon. The Customs investigating committee is at work in another part of this building and I am greatly interested in following its deliberations. I do not want to discuss the question in detail at all but I may say that the attorney in charge is to-day going over evidence submitted to him by the department, and taken by one Inspector Duncan at Montreal. Next week we are promised that wholesalers and business men from all parts of Canada will be here to give evidence; we are promised that we will have in a week or two evidence that I have never yet heard or seen, and I would like to be in attendance then. I do not mean to insinuate that the sessions of the committee are not interesting. They are not interesting to me to-day because the evidence given is that which I have already read. When new evidence comes before the committee I would like to be there, and that is why I asked that I be allowed to go on with my estimates first, thinking that the House would allow my estimates to go through after discussion and allow me to return to the committee.

Sir HENRY DRAYTON: My hon. friend now gives me a reason. I thought it would not make much difference when he was away; he did not tell me about the question of evidence, or if he did I do not recall it.

Mr. BOIVIN: I did not give that explanation; I merely referred to the matter in a general way.

Sir HENRY DRAYTON: The probe is going on to-day and my hon. friend is not there. He is away from it and apparently satisfied to be away, so perhaps he would be satisfied to be away for some days. My hon. friend says he has made no progress, but he has put through nearly $7,000,000 in estimates. A million must be very small in the sight of my hon. friend, if that is the way he looks at it. I am just going to say one thing further to my hon. friend, and he can give us the information or not as he likes, because in view of his last statement I personally do not think he is in a position to do so. If however he should be able to give us the information I think the House should have it. I would like to know what these vacancies are which he hopes never to fill.

The CHAIRMAN: Shall the item carry?

Mr. NICHOLSON: Just a moment, Mr. Chairman. The hon. minister, with his deputy beside him—and I take it that in reality the deputy is the administrative head of the department—stated clearly that there were vacancies in the department; that he had discussed this with the deputy or the officers of the department, and those officers agreed with him that it was unnecessary to fill those vacancies until there was reorganization. Is it the purpose of the minister to have a reorganization which will increase the staff or a reorganization which will leave it as it is now, or one which will reduce it? If it is a reorganization which is going to leave it as it is, he has said—and it is stated that his deputy agrees with him—that it is unnecessary to fill these vacancies. If that is so, why vote money, if the vacancies are not to be filled? There is another point on which the minister might give us some information and that is as to how long these vacancies have existed. If the department can go on week by week and month by month with certain positions vacant it is evidence that they simply have that many superfluous officers somewhere. With his deputy beside him now, he might tell us what is in his mind with regard to this reorganization which is to take place, and which will decide whether these vacancies are to be filled. I would like to ask again if it is to be a reorganization which will increase the service or one which will decrease it and make it more effective.

Mr. BOIVIN: I am going to give my hon. friend a frank answer. I had hoped that the preventive service of my department would be vastly increased.

Mr. NICHOLSON: If my hon. friend will just pardon me, on the opposite page of this estimate there is an entirely separate vote for the preventive service.

Mr. BOIVIN: I think I know as much about my own estimates as my hon. friend. He need not get excited. I want to be polite to him, but I think I am entitled to the same politeness.

Mr. RYCKMAN: The minister said he knew nothing about his own department.

Mr. BOIVIN: I said I was not entirely familiar with my department. I did not refer to the estimates. I was about to say to my hon. friend that I had hoped—I did not say I would—greatly to increase my preventive service staff. What I want to convey is the idea that if the service is increased and makes many seizures, if it does the work and sends in the reports I hope it will send in, it may be necessary to fill some of these positions in the inside service to handle the work here.

Mr. BOYS: My hon. friend has told the committee that there were a number of vacancies. Can he tell us how many vacancies he does not expect to fill, and about what the salaries of these officials would amount to in a year?

Mr. BOIVIN: I do not think I can give that information to my hon. friend offhand The hon. member for West York asked me to produce a list of these vacancies, the places where they existed, and the salaries paid before the vacancies occurred, and I undertook to do that. I do not think I could give definite information to-night. I would say that there are eight or ten vacancies. My idea of economy—I will be frank with the House—is to avoid filling vacancies when it is possible. I dread to reduce salaries or to dismiss employees but I am not anxious to make new appointments.

Mr. BOYS: If the minister is directing the latter portion of his remarks to myself, that is not at issue at all, because I am not suggesting either that salaries be reduced or that employees be dismissed. The minister made the frank statement that there were a number of vacancies he did not intend to fill. I do not suppose he made that statement at random; I suppose he made it knowing what he was talking about. I presume he has some idea of how many vacancies there are he does not intend to fill, what the positions are, and the salaries attached to them. If there were only two or three of them I would not bother my head about them, but if there are twenty or thirty vacancies that the minister does not intend to fill, I think the item should be reduced by a substantial sum, and I think we ought to have that information before we are asked to pass upon this vote.

Mr. BOIVIN: I told my hon. friend in my discussion with the hon. member for West York, when he asked how many vacancies there were, whether four or five or two or one, that I was only sorry there were not forty, but I did not desire to suggest in any way that that was the number of the vacancies. I believe that the number of vacancies in the department at the present time is eight or ten. I do not promise that all of them will not be filled, but I do hope that five or six of them will not. Most of them are clerk positions where the salary would be about $1,200 a year. The saving is not very large, but it is a beginning.

Mr. MANION: I was listening some time ago to the minister speaking in reply to the hon. member for West York. He has pointed out what is quite correct, that he attempts to be perfectly courteous to us all, and I have no criticism to offer of him in that regard. At the same time, there were two or three statements which I think require some elucidation from him. In the first place he pointed out that a minister in his position could not give his promise, or his word of honour, as he expressed it, that he would attempt to cut down the expenditure of his department by three or four hundred thousand dollars, but he forgets in making that statement that he belongs to the most promising and the least fulfilling government that has ever existed in this Dominion of Canada.

Sir HENRY DRAYTON: Don't limit it.

Mr. MANION: Probably I should not limit it to Canada. His leader travelled from one end of this country to the other in 1921 and promised everything on earth to every section of the country. This parliament is now being held together by a system of promises, because the whole Speech from the Throne was a bundle of promises, and that is what is holding this government in office to-day. The minister, when he says this vote is going to carry whether my hon. friend from West York likes it or not—

Mr. BOIVIN: I did not say that.

Mr. MANION: Oh yes, I listened very carefully.

Mr. BOIVIN: I said I would be sorry if it had to carry without his support.

Mr. MANION: My hon. friend is very smooth in changing fronts, but put it that way if you like: he will be sorry if the vote goes through without the support of my hon. friend from West York. That simply means: If you and your party oppose it, all right, we are going to pass it anyhow. That simply means, when you carry it a little further that instead of having regard to the 116 members on this side of the House and the 101 members on that side of the House, the Minister

of Customs is so sure that these various promises made by his leader and himself and the other members of the government are going to succeed in keeping my friends to my left in line, that all these votes are going to carry whether this side of the House likes them or not. Certainly that is not very complimentary to my friends to my left, and if I were one of them I think I would resent that attitude on the part of any minister.

Some hon. MEMBERS: Oh, oh.

Mr. MANION: I do not blame my hon. friends for laughing, because my hon. friends to my left have shown no resentment at anything yet done by this government. They have accepted the promises of the government, and promises is all they have received, but I certainly should feel like resenting that attitude on the part of a minister who a short time ago went down to Montreal and in a speech of threats and promises as to what the government were going to do if the Progressives did not support them—

Some hon. MEMBERS: Oh, oh.

Mr. MANION: I do not know upon what the minister bases his certainty that my hon. friends to my left are going to support him. Suppose we move an amendment to cut down this item in accordance with the suggestion of the minister himself; taking his own figures, ten or twelve vacancies at $1,200 apiece would amount to about $15,000. Suppose we moved an amendment to reduce the item by that amount. A few minutes ago the minister said he would not submit to this vote being cut.

Mr. BOIVIN: I did not say that.

Mr. MANION: My hon. friend changes his tactics very often; he has changed them seventy-five or a hundred times to-night already.

Mr. MOTHERWELL: Make it a thousand.

Mr. MANION: I would if I were the Minister of Agriculture; I would not care how far I went in that case, because he never cares where he goes or what he says. But I am not the Minister of Agriculture.

Mr. RINRET: You would like to be, though.

Mr. MANION: Suppose we make up our minds to move to cut down this item by $12,000 or $15,000. If that motion is made, I hope that some of my friends to my left —there are not many of them left in the chamber just now; I do not know whether the discussion has had anything to do with that or not—will show that they really believe in the economy which they have talked about so much. I hope the hon. member for Bow River, whom I see in his seat, and for whom I have a great admiration—for his ability, not for the way he votes—will stand by some of the professions he made in past years in favour of economy, if such a motion is made. I remember hearing him last year, and I used to admire him so much—he was not so much to the front then as he is now, but sat back a little farther—I remember how he would stand up and tirade against the present Prime Minister, and never in all my attacks on the Prime Minister, and I will admit I have been fairly severe at times, have I attacked him so wickedly or viciously as the hon. member for Bow River used to. He would stand up and advocate economy, which he said he believed in, and I think he really does believe in it. Well, if we make a motion here to cut down this item by about $15,000, in accordance with the minister's own figures, I hope the hon. member for Bow River will have the courage of his convictions and stand up here like the good man he is and vote with us to cut down this item by the amount which the minister himself admits is unnecessary.

I am going to show the hon. member for Bow River just how futile are all the excuses given by the minister for these different increases in expenditure. He made the excuse here that practically all the increase in this item of $40,000 was due to statutory increases, and then when he was giving the details a few moments ago he said the statutory increases out of the forty thousand amounted to, I think, $18,000. Was that right, or was it $12,000? Which is it?

Mr. BOIVIN: About that.

Mr. MANION: He first said that this whole forty thousand was practically due to statutory increases. Then when he was giving the details he points out that the statutory increases really amount to $12,000 out of the forty thousand. I do not know what the other twenty-eight thousand consists of. I listened to the minister attentively and I do not know what it is for; it certainly is not for statutory increases. But let me turn to the next item—and I ask the Chairman's permission to refer to it; I am not going to discuss it. Turn over to the next item, which amounts to $480,000, as compared with $455,-

502 last year, and there is not a dollar of wages in it at all. It is made up of:

Printing and stationery, subscriptions to commercial papers, flags—

I wonder which flags?

—dating stamps, locks, instruments, etc.

It has nothing to do with wages. I went through the items very carefully and I do not find a wage of any kind. The whole item amounts to $480,000, $25,000 more than the item last year. Is the minister going to claim that this is connected with statutory increases, that printing and stationery, subscriptions to commercial papers, flags, dating stamps, locks, and instruments, have anything to do with statutory increases? In other words the minister in the few months in which he has been in this government has learned all the tricks of the trade adopted by the group he is associated with. You cannot depend upon a single promise of this administration to cut down the taxation of this country. They never live up to their promises. They promise everything in the shape of taxation reduction and give none, except where they cut down business so much that the taxation is automatically reduced. Now, Mr. Chairman, I am going to move an amendment to this item. I am going to move that it be cut down by $15,000, and then we will find out how hon. gentlemen to my left react.

Mr. BOIVIN: Does my hon. friend desire to have the vote taken on that immediately?

Mr. MANION: I am not in any hurry.

Mr. BOIVIN: Would my hon. friend like to have a reply to his remarks?

Mr. MANION: Oh, I am not very particular—

Some hon. MEMBERS: Oh, oh.

Mr. MANION: —but if it eases the mind of my hon. friend I should be very glad to listen to it.

Mr. BOIVIN: It will not ease the mind of "your hon. friend" at all.

Mr. MANION: Then I do not know why I am asked the question. Go ahead.

Mr. BOIVIN: I fear I might possibly be called to order by the Chairman unless I have my hon. friend's consent.

Mr. MANION: Perhaps if my hon. friend is called to order I shall be afterwards.

Mr. BOIVIN: My hon. friend was right when he said the Speech from the Throne contained many promises. All Speeches from the Throne contain promises.

Mr. MANION: Never so much as now.

Mr. BOIVIN: All Speeches from the Throne composed by my hon. friend's friends contained promises to be broken. The Speech from the Throne composed by this government contains promises to be kept.

Mr. MANION: They never were in the past. It would be something entirely new if they were now.

Mr. BOIVIN: I have enough confidence in our friends who sit to the left of my hon. friend, to think that if those promises are put there to be broken they will not be very long supporters of our party.

Mr. GARLAND (Bow River): Hear, hear.

Mr. BOIVIN: The Speech from the Throne meets with their approval, and it is the intention of the government to implement it by legislation. Now, if my hon. friend desires to reduce the vote by $15,000, if he wants to tie my hands, if he wants to make it impossible for me to appoint a certain number of employees in a department which is now being attacked for not giving sufficient and efficient service, I am quite willing; but I do not think the people of Canada will be. What the people of Canada want, if anything, is a larger expenditure for a more rigid collection of revenue.

Mr. MANION: More efficiency.

Mr. BOIVIN: My hon. friend is right. No one desires more efficiency than I do; no one desires more honesty than I do. I can tell my hon. friend that I am going to do my very best to give honest administration to the department and the country; but if I am to be hampered—my estimates reduced—

Mr. MANION: Does the minister suggest for a moment that a $15,000 cut out of 8½ million dollars or nearly nine millions will hamper him?

Mr. LAPOINTE: Why $15,000?

Mr. MANION: Because I took the figures of the minister himself.

The CHAIRMAN: Is the committee ready for the question?

Sir HENRY DRAYTON: Before you put the question, Mr. Chairman, I should like the minister to take himself seriously for a minute and not to play mock heroics—because that is what he is doing. He talks about the necessity of the customs service being strengthened. It ought to be. The preventive side of the customs service ought to be strengthened, there is no question about it. This

vote has nothing whatever to do with the preventive side at all. The minister wants to do this and everything; he wants to be so clean, so pure, so holy, so godly. But if he does, why does he not want to do simply what he thinks ought to be done—take this amount off? We are simply in this instance taking the minister at his word, that is all. We are prepared to take more of a chance with him than apparently he is willing to take in the case of his own words and his own judgment.

Mr. BOIVIN: That may be true.

Sir HENRY DRAYTON: My hon. friend is playing mock heroics when he says that a cut which ought to be made here according to his own judgment, and the judgment of his deputy, has anything to do with the preventive service of the country.

Mr. BOIVIN: I will explain to my hon. friend how it has something to do with it.

Sir HENRY DRAYTON: I wish you would.

Mr. BOIVIN: The amendment was moved more for the purpose of attempting to embarrass the government than it was for the purpose of cutting off $15,000 that may not be spent anyway. This item is the one from which the salaries and travelling expenses of the inspectors of the department are paid. The larger the service throughout the country, the more inspectors we shall need and the better the inspection service must be and I am sure, knowing my hon. friend from Fort William (Mr. Manion) as well as I do, that he is not going to press the amendment to a vote.

Mr. MANION: Let me just say a word in reply to the minister. He said the amendment was moved to embarrass the government. It was done for no such purpose; it was done for the purpose of testing the sincerity of the Minister of Customs and Excise. The hon. gentleman pointed out again and again how anxious he is to cut down the expenditures. He said there were possibly twelve or thirteen employees he could dispense with. I take his own figures, and I am testing him out to see if he will act on his own statement. If he is so anxious to cut down the expenditure he will accept a reduction which should have no effect whatever on a vote of approximately nine millions. If the minister is sincere in all his assertions that he wants economy, that he is going to try to have economy, and has no intention to put a number of new men in positions which he thinks are unnecessary, then he will accept an amendment for a reduction of $15,000 which I would have made $50,000 if I were trying to embarrass the government. I put it at this figure because the minister practically asserted again and again this evening, that he could cut out probably much more than that, but he could cut out that much without embarrassing the department at all.

Amendment (Mr. Manion) negatived.

Sir HENRY DRAYTON: Now that the House has satisfactorily swallowed the protestation of the minister, and he has practically swallowed himself, I may point out that he has told us one thing I was not sure about before. We are told that we are now on preventive service, and I would ask the minister whether any of the salaries here covered are salaries of officials who are at present under suspicion or suspension.

Mr. BOIVIN: No, the salary of any official who is at present under suspicion or suspension is covered under the second item on the next page, which reads:

To provide for expenses of maintenance of revenue cruisers and for preventive service.

The present item merely covers the preventive service staff here and the inspection officers.

Sir HENRY DRAYTON: Are any of the people who come under this item covered by the Duncan report?

Mr. BOIVIN: No. Some of those mentioned in the Duncan report are paid out of the first item passed this evening, and others mentioned in the same report are also paid out of the second item on page 62. Those are regular preventive service men.

Item agreed to.

Miscellaneous—Printing and stationery, subscriptions commercial papers, flags, dating stamps, locks, instruments, etc., for various ports of entry, express charges on samples, stationery and legal forms, legal expenses, premiums on guarantee bonds, and uniforms for Customs officers, $480,000.

Mr. FORKE: We are very proud, Mr. Chairman, to see you where you are, but I am going to give you a little word of advice at the start; you will have to speak a little louder.

The CHAIRMAN: I shall be very glad to oblige my hon. friend.

Mr. MANION: Could the minister explain why there is an increase of $25,000? He cannot explain it on the ground of statutory increases.

Mr. BOIVIN: The best explanation is that we tried to meet my hon. friend's request two or three years ago and we cut $100,000 off this item. We found that we had cut off too much, and we are obliged to ask that one-quarter of that amount be added to the vote for this year.

Sir HENRY DRAYTON: What was the expenditure last year?

Mr. BOIVIN: I have here the chief accountant's memorandum on this particular item, which reads:

The expenditure for the first six months of 1924-5 was $201,920.31. Proportionately for the entire year the expenditure should have been approximately $404,000, whereas it actually amounted to $455,502.28, a difference of $51,500.

For the first six months of 1925-6 the expenditure was $227,097.44, which proportionately would be $454,-000 for the entire fiscal year, which is approximately the total expenditure of the previous year.

The increase for the six months 1925-6 over 1924-5 is $25,177.13, which is accounted for by payment in 1925-6 of guarantee bond premiums, covering the last half of 1924-5, $10,090, for which similar payment did not occur in 1924-5; and payment of printing and stationery accounts of 1924-5, $21,145, which did not occur in the previous year. These two amounts total $31,235 increase, which is reduced to the difference of $25,177.13, being lesser general expenditure during the year 1925-6.

Mr. GARLAND (Bow River): The description of the item would indicate that a good deal of the money was spent on office supplies, guarantee bond premiums and uniforms. Would the minister divide the sum into major items? We do not want the smaller items; but give us a general idea of how it is spent.

Mr. BOIVIN: The largest amount generally expended under this vote is that paid to the Canadian Bank Note Company of Ottawa for excise stamps. The amount paid for the printing and excise stamps is approximately $165,000 per year. That is one of the largest amounts. All the forms used in the service are printed by the Department of Printing and Stationery, but they are charged to the Department of Customs and cost over $100,000 per year. At all the ports where we have officials in railway stations, on trains and at points of vantage, they are uniformed. The uniforms are purchased by the officers themselves, but they are paid for by the government in the form of an allowance of $37.50 per annum. A uniform is supposed to last for two years. This item amounts to $58,961.50. Freight and express charges amount to approximately $17,000 and guarantee bond premiums, $8,000. The other amounts are very small.

Mr. GARLAND (Bow River): What about legal expenses?

Mr. BOIVIN: The legal expenses are not large. There are certain court costs in connection with actions taken by the department. If my hon. friend will look up the Auditor General's report, part D, page 126, he will see the expenditure in connection with a similar vote for the year 1924-25 when legal expenses amounted to only $245.

Sir HENRY DRAYTON: I think when the hon. member for Fort William (Mr. Manion) asked the minister as to the reason for the increase and pointed out that it could not be a statutory increase, the minister said that was quite true; there were no statutory increases, but the trouble was that he had tried to do what the hon. member wanted him to do, namely, to economize and that there had been a cut of $100,000 in the vote. Am I right in so understanding the minister? Because I am afraid he will have to fall back on the old statutory increase; there was no cut in the vote last year.

Mr. BOIVIN: If my hon. friend desires to say that the vote last year is the same as the vote this year, he is right. What I said was that the amount estimated for this item for 1924-25 was reduced by $100,000 over that of the previous fiscal year, 1923-24, and we reduced it too much. Since that time we have been trying to get along but we find that it is absolutely impossible to meet expenses without increasing the vote. We are not puting it back to the figure at which it stood before; we are increasing it by nearly $25,000.

Sir HENRY DRAYTON: My hon. friend certainly gave me the impression that he had made a cut last year; that he had tried to cut off $100,000—

Mr. BOIVIN: I have not yet been given an opportunity to make any reductions.

Sir HENRY DRAYTON: —and therefore there had to be an increase this time. There certainly was not a reduction under the vote of the year before. In 1921-22 I find it was the same old story. The vote in 1921-22 instead of being larger is smaller; it was only $423,000 while the vote to-day is $480,000.

Mr. BOIVIN: What was the vote in 1923-24?

Sir HENRY DRAYTON: I have just the vote for 1921-22. I keep to that year because it was the year so often talked about in the country by my hon. friend and those with him as the year of the high water mark of extravagance from which my hon. friends were to work down. I find instead, however, that

they are always working up. The vote under this head in 1921-22 was $423,000. My hon. friend must get some other excuse. I think he will have to get a third one.

Mr. BOIVIN: I told my hon. friend that in 1924-5 this vote had been reduced by $100,000 from that of the year 1923-24. Since that time it has not been increased and we find that we must increase it in order to prevent asking for supplementary estimates every year. I am glad my hon. friend pointed out that even to-day it is only $55,000 larger than it was in 1921-22, because that is the admission he has just made. At that time we did not have, as we have now in the Department of Customs, the collection of the sales tax and all the other added forms of taxation. We had not started the inspection of all firms owing sales tax, and as my hon. friend knows, the sales tax is not even yet entirely collected on every line of business. It was not all collected by my hon. friend and his government. My officers are tracing people every day who are not paying and who should pay sales tax. That means all kinds of expenditure, and so when my hon. friend says that the item is only $55,000 more than it was in 1921-22, I think he is paying us quite a compliment.

10 p.m.

Sir HENRY DRAYTON: My hon. friend is extremely ingenious, but the trouble with him is that he always forgets the facts.

Mr. BOIVIN: He is always ready to stand corrected.

Sir HENRY DRAYTON: I hope my hon. friend will be a little more careful with the facts. The sales tax was in operation for two years at that time and moreover it was being collected on far more articles than is the case to-day. My hon. friend knows that or certainly he ought to know it.

Mr. BOIVIN: It was not all collected.

Sir HENRY DRAYTON: It is not all collected now. The minister is not collecting anything more by reason of the increase under this particular item. He knows that in connection with his sales tax where he gets anything more is through his travelling auditors. But I do not care which item that comes under; the point is that there was a larger field of work to be done in connection with the sales tax in that year than there is to-day.

Mr. BOIVIN: But it was not done.

[Sir Henry Drayton.]

Sir HENRY DRAYTON: My hon. friend may say that it was not done, but it was done fairly well and if we look at the arrears which we have had under this government in connection with the sales tax, we shall have a job to find anything much worse done—favoured people here and favoured people there, suits here and no suits there. All my hon. friend has to do is to go through the returns I had made two years ago in this House to know the absolute truth of what I am saying. The fact is that the vote was less then. I have been trying to find the year to which my hon. friend refers.

Mr. BOIVIN: That is 1923-24.

Sir HENRY DRAYTON: Perhaps my hon. friend has it.

Mr. BOIVIN: I am sorry to say I have not. I have a statement by the chief accountant which I can read to my hon. friend. I may have been misled.

Sir HENRY DRAYTON: My hon. friend is right. His government did put on $100,000 for the sake of taking it off afterwards.

Item agreed to.

To provide for expenses of maintenance of revenue cruisers and for preventive service, $376,510.

Mr. MANION: How much of this was spent last year?

Mr. BOIVIN: I think the total amount.

Mr. MANION: I suppose there were the usual statutory increases?

Mr. BOIVIN: Yes, they amounted to $6,960. The rest is for the expenses of the cruisers.

Sir HENRY DRAYTON: Will my hon. friend please give the committee a list of the cruisers and their headquarters?

Mr. BOIVIN: We have now the following cruisers and patrol boats:

Name	Headquarters
Cruiser Margaret,	Gaspe, P.Q.
Cruiser Grib,	Halifax, N.S.
Patrol Boat Madeline A,	Barrington, N.S.
Patrol Boat Buzz,	Charlottetown, P.E.I.
Patrol Boat Bernie,	Eastern Harbour, N.S.
Patrol Boat Cheticamp,	Cheticamp, N.S.
Patrol Boat G.,	Yarmouth, N.S.
Patrol Boat No. 1,	Port Daniel, P.Q.
Patrol Boat No. 2,	North Sydney, N.S.
Patrol Boat No. 3,	North Sydney, N.S.
Patrol Boat No. 4,	North Sydney, N.S.
Patrol Boat No. 5,	Richibucto, N.B.
Patrol Boat No. 6,	Sydney Harbour, N.S.
Patrol Boat No. 7,	Port Hood.
Patrol Boat No. 8,	Boulardie, C.B.

Sir HENRY DRAYTON: Are those all the boats we have at present?

Mr. BOIVIN: Yes.

Sir HENRY DRAYTON:: What boats, if any, have we doing similar work on any of the Great Lakes?

Mr. BOIVIN: We have none.

Sir HENRY DRAYTON: Is there any patrolling of exports from Belle River and adjacent places?

Mr. BOIVIN: No, they are not patrolled.

Sir HENRY DRAYTON:: Are they patrolled in any other way?

Mr. BOIVIN: Yes they are carefully watched and an export entry is taken for every shipment of goods received, with the name of the boat and a description of the cargo. That information is given to an American officer in accordance with the terms of the treaty with the United States concerning smuggling.

Sir HENRY DRAYTON: Since when?

Mr. BOIVIN: Since about September, 1925, when regulations were made under the treaty. Some slight changes have been made in the instructions issued to the officers since the regulations were put into force. We have endeavoured to prevent export entries to Mexico or Cuba when the liquors were to be loaded at a lake port. These export entries were never accepted, but were replaced by new export entries prepared and signed by a duly authorized agent of the shipper at the port. My deputy has now issued instructions that the export entry or entries showing the United States to be the ultimate destination of the goods must accompany each shipment from the time it leaves the distillery in Canada.

Mr. MORAND: When was that regulation made?

Mr. BOIVIN: If my hon. friend is referring to the regulation forbidding the exchange of export entries, it was issued on February 13.

Mr. MORAND: Are there no regulations as to the size or the kind of boats by which these shipments must be consigned?

Mr. BOIVIN: No. The only clause in the treaty is that we shall not allow shipment of any kind of liquor from a lake port on a boat which cannot reach the destination to which it is cleared.

Mr. RYCKMAN: Is there any patrol preventive service on the Pacific coast?

Mr. BOIVIN: On the Pacific coast we have a rented cruiser which is operated by the department in the same manner as our patrol boats on the Atlantic. There have been complaints of smuggling in British Columbia, and I think the service will have to be improved there by the addition of other patrol boats.

Mr. JACOBS: Why do you not use the Canadian Merchant Marine for that purpose?

Mr. BOIVIN: Those boats are too large.

Mr. McGIBBON: How many seizures have been made on the Atlantic?

Mr. BOIVIN: Some of our boats have been very successful. The Margaret, for instance, has made several seizures, and several of the other patrol boats have reported infractions of the law to preventive officers on shore and thus enabled them to make seizures. I am frank to admit, as I have already done to-day, that the preventive service is not what it should be. I am not getting the results that we would like to get from it. I hope by closer co-operation with the provincial authorities to do much better.

Mr. McGIBBON: Can the minister give the committee any idea of the number of seizures?

Mr. BOIVIN: The number of seizures of liquor smuggled in from the ocean to the Maritime provinces during the open season last year was about forty. There should have been a great many more.

Mr. HEAPS: There is one question I would like to ask the minister. If I understand these estimates correctly, in the two columns it just shows the estimates for the fiscal year. Is it not possible to have another column showing the amounts spent during the last fiscal year?

Mr. BOIVIN: In making up the estimates we have followed the usual custom, and the amount expended during the last fiscal year has never appeared. My hon. friend will find, however, that the expenditures detailed in the Auditor General's report correspond exactly with the votes in the estimates for the previous year. He can find in the Auditor General's report under the same number a description of the expenditures made under each item voted last year.

Sir HENRY DRAYTON: No, the year before.

Mr. BOIVIN: Yes, the year before. There is always an intervening calendar year.

Sir HENRY DRAYTON: My hon. friend is nearly right; he is only out a year this time.

Mr. BOIVIN: It is only a slip of the tongue.

Sir HENRY DRAYTON: My hon. friend has made the same slip several times before. A person trying to follow the books would be hopelessly lost if he followed my hon. friend's directions. I wonder if the minister, in the course of his investigation, found out the number of ports to be looked after, the ports of export in the neighbourhood of lake St. Clair and the St. Clair river—Detroit, Windsor and so on?

Mr. BOIVIN: I have not. That would come not under this item, but the next one. What I am willing to offer my hon. friend is this: I will get a complete list of these ports which should be watched by preventive officers, and I will not ask to go any further to-night. After we have passed this item of $376,510, we shall let the remainder stand for further discussion. I will have the list of outports to-morrow.

Sir HENRY DRAYTON: I take it the suggestion is that we stop business now?

Mr. BOIVIN: No, just pass this item and then take up another department.

Sir HENRY DRAYTON: I see no reason why we should drop this and go to something else. We allowed the government to take up estimates to-day without a motion, and I see no reason why the government should now call some other estimates, just for the purpose of obviating a motion. That can be the only reason.

Mr. LAPOINTE: No. If my hon. friend will permit me, we desire to have at least one other department go on with its estimates Thursday and Friday. It may be necessary to ask the Minister of Customs to be in the House all day Friday and even Thursday, and it would hardly be fair to start other estimates on those days. If my hon. friend will allow the Public Works estimates to get down to-night so that my colleague the Minister of Public Works will be able to go on with his estimates the latter part of this week if necessary, I think everything will be all right.

Sir HENRY DRAYTON: Frankly, I do not remember any particular reference by the government as to what they intended to take up. I am perfectly content, however.

Mr. LAPOINTE: Yes, we mentioned Customs and Public Works.

[Sir Henry Drayton.]

Mr. MANION: I do not wish to doubt the minister's word, but I certainly was in the House and I do not remember the Prime Minister mentioning Public Works.

Mr. LAPOINTE: Yes. It is in Hansard. The Prime Minister said:

> To-morrow is government day. We purpose taking such motions as may be on the order paper and then to proceed with supply. We will take up first the estimates of the Department of Customs, and if we do not occupy the entire day with those estimates, we will take up the Department of Public Works.

Sir HENRY DRAYTON: Then under those circumstances I have no right, of course, to object, but if we do that I would suggest that we rise now. We have done pretty well, and these two items are so closely connected one with the other that I think we should now rise, report progress and then call an item in Public Works to accommodate my hon. friend.

Mr. LAPOINTE: The consideration of this item will be suspended, that is all.

Item stands.

Public Works—public buildings—Nova Scotia: Halifax—Bellevue building—improvements and repairs..	$ 4,000
Halifax Immigration building—payments to Department of Railways and Canals for accommodation..	25,000
Halifax Quarantine station—repairs and improvements..	5,000
Halifax Rockhead hospital—repairs and improvements..	2,250
North Sydney—Quarantine station—alterations and repairs..	2,350
Pictou—public building—addition and repairs.	9,000
Stellarton—public building..	10,000
	$57,600

Sir HENRY DRAYTON: I have now a suggestion to make to my hon. friend. I do not think this is a very serious item, so I think we could pass it now, and adjourn. That would probably save time.

Item agreed to.

Progress reported.

ADJOURNMENT—WEDNESDAY SITTINGS

Mr. LAPOINTE: Mr. Speaker, I beg to move, seconded by Mr. Robb:

> That on Wednesday the 17th of March and every subsequent Wednesday until the end of the session the House shall meet at three o'clock in the afternoon.

Motion agreed to.

Mr. LAPOINTE moved the adjournment of the House.

Sir HENRY DRAYTON: What business to-morrow?

Mr. LAPOINTE: Private members' day to-morrow.

Motion agreed to and the House adjourned at 10.20 p.m.

Wednesday, March 17, 1926

The House met at three o'clock.

LEGAL MINIMUM WAGE

On the Orders of the Day:

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That the following motion made by Mr. Woodsworth on Monday, March 15: "That in the opinion of this House a wage sufficient to provide for a reasonable standard of living should constitute a legal minimum wage" be referred to the select standing committee on Industrial and International Relations.

He said: This was the understanding at the conclusion of the debate on that motion on Monday last.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): There does not seem to be any reason why I should object. One cemetery is as good as another, and this one seems equally acceptable to the mover of the motion and to the government.

Mr. MACKENZIE KING: Is my hon. friend the guardian of the cemeteries?

Motion agreed to.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

VANCOUVER HARBOUR—FATAL ACCIDENTS

Hon. Mr. STEVENS:

1. How many men engaged in or about the loading of vessels in the harbour of Vancouver have lost their lives during each of the years 1922, 1923, 1924 and 1925?

2. What steps were taken by the (a) Vancouver Harbour Commissioners, (b) Marine and Fisheries department, to ascertain the cause of the accident resulting in the death of these men?

3. What steps, if any, have been taken to more carefully safeguard the lives of those engaged in hazardous work?

Hon. Mr. CARDIN:

1. 1922: 2; 1923: 2; 1924: 9; 1925: 0.

2. (a) and (b). Coroner's inquests are held by the provincial authorities to determine the causes of the accidents.

3. The Vancouver Harbour Commissioners are members of the Shipping Federation of B.C. which body employs a safety engineer who co-operates with Longshoremen's Association for the betterment of any unsound conditions.

The steamship inspectors of the Department of Marine and Fisheries located at Vancouver co-operate with the Workmen's Compensation Board.

SECOND NARROWS BRIDGE—VANCOUVER

Hon. Mr. STEVENS:

1. Since the construction of the Second Narrows Bridge, Vancouver, has the government received any complaints from those engaged in shipping regarding the difficulty of navigating through the spans of the bridge?

2. Has a request been made to the government to construct "leads" or "sheer wings" on the pier of the long span. If so, is it the intention of the government to provide these safeguards, both to the bridge and to navigation?

Hon. Mr. LAPOINTE:

Department of Public Works:—

1. No.

2. (a) No. (b) see (a).

Department of Marine and Fisheries:—

1. So far as the Department of Marine and Fisheries is concerned complaints as to difficulty in navigating through the bridge in foggy weather only, have been received.

2. No.

CANADIAN NATIONAL RAILWAYS—SCRIBE HOTEL

Mr. STEWART (Leeds):

What portion of the building in Paris known as the Scribe hotel is occupied by the Canadian National Railways, and what has been the total capital and other expenditure upon said property to date?

Hon. Mr. ROBB:

Office occupied by Canadian National Railways has an area of 200 square metres, with a frontage of 15 metres on Rue Scribe. The amount expended by Canadian National Railways to acquire control of the entire property was $2,800,000. Under the lease to the Societe des Hôtels Reunis, the tenants have expended approximately 15,000,000 francs in alterations and improvements, which will revert to the railway company as lessor, at the termination of the lease. The latter is for a period of 40 years on terms which will provide a return to the National Railways of 5 per cent per annum on the investment, in addition to providing rent free the office space above referred to, which has a rental value estimated at $15,000 per annum.

SOLDIER SETTLEMENT BOARD—REPORT

Mr. NEILL:

1. Has the report yet been received of the official sent out by the Soldier Settlement Board last fall to investigate soldier settlers' farms in the electoral district of Comox-Alberni with a view to consideration of revaluation?

2. If so, will the report be tabled for information of members?

Right Hon. Mr. MACKENZIE KING:

1. Yes.

2. Yes.

QUESTIONS PASSED AS ORDERS FOR RETURNS

GOVERNMENT MOTOR CARS

Mr. SUTHERLAND (South Oxford):

1. What number of motor cars have been purchased by the government since January 1, 1922, and assigned to members of the government?

2. What department heads have been so supplied?

3. What was the date of purchase in each instance, make of car and purchase price?

4. What has been the cost of maintenance or upkeep in (a) wages of employees; (b) cost for repairs and (c) quantity of gasoline used by each?

5. How many of these cars were of American manufacture?

COST OF CANALS IN CANADA

Mr. BELL (St. John):

1. What is the total cost of government owned canals in Canada including amounts spent prior to confederation?

2. Were any allowances made by the Dominion government at the time of confederation to Upper or Lower Canada for expenditures on canals by those provinces prior to confederation?

3. What is the actual cost of each canal system in Canada?

Hon. Mr. ROBB: This was an order for return, which I now table.

EXPORTS OF PULPWOOD

Mr. SIMPSON:

1. How many cords of pulpwood were exported during 1925?

2. What amount from each province?

3. How many cords of each of the following classes of pulpwood were exported from each province: spruce, poplar, balsam and jack pine?

CHICAGO DRAINAGE CANAL

Mr. T. L. CHURCH (Toronto Northwest) moved:

For a copy of all correspondence, letters, telegrams, reports and orders in council, relating to the diversion of the waters of the Great Lakes by the Chicago drainage canal, including all communications with the government of Great Britain, the British ambassador at Washington, D.C., and the government of the United States.

Right Hon. Mr. MACKENIZE KING: Mr. Speaker, there is no objection to the adoption of the motion provided it is understood that if the correspondence includes certain documents which the United States may object to having brought down, they will not be produced.

Mr. CHURCH: Mr. Speaker, it is true that some of the papers have been brought down, but none of the correspondence with the British government has been produced. This is the most important part, because Canada is not a party to the treaty. I would like to have tabled the correspondence of the government of Great Britain on this question.

Motion agreed to.

RAILWAY EMPLOYEES AT MONT-JOLI, QUEBEC

Mr. ALEXANDRE J. DOUCET (Kent, N.B.) moved:

For a copy of all correspondence, telegrams and other documents exchanged between railway employees of Mont-Joli, Quebec, and the Department of Railways.

Hon. Mr. ROBB: Mr. Speaker, on Monday last I directed the attention of my hon. friend to the fact that this order would date back almost to confederation, and asked him to limit it in some way.

Mr. DOUCET: Mr. Speaker, had I not had my time taken up in the Customs committee I would have interviewed my hon. friend. I would ask for the correspondence dating from May 1, 1923.

Motion as amended agreed to.

EXPORT DUTY ON PULPWOOD

On the motion of Mr. ARTHURS:

For a copy of all correspondence, letters, telegrams or recommendations relating to an embargo upon pulpwood or to a proposed export duty upon pulpwood shipped from Canada, such order to apply to correspondence, etc., subsequent to January 1, 1921.

Mr. ROBB: Mr. Speaker, I notice the hon. gentleman is not in his seat. This might stand.

Motion stands.

TRADE COMMISSIONERS

Mr. ROSS (Kingston) moved:

For a return showing the names of all appointees as trade commissioners, of all dismissals and resignations from such positions, and also a copy of all correspondence, telegrams, and other documents connected with the same appointees, dismissals and resignations, during the years 1922, 1923, 1924 and 1925.

Mr. ROSS (Kingston): Mr. Speaker, I would like the question to be dropped, as I have received the information.

Motion dropped.

PERMANENT FORCE EMPLOYEES

Mr. ALEXANDRE J. DOUCET (Kent, N. B.) moved:

For a return showing:

1. The numbers of each of the following, lieutenant generals; major generals; colonels commandant; colonels; lieutenant colonels; majors; captains; lieutenants; non-commissioned officers of each rank; privates at present or at the latest date at which the information is available, in the employ of the government of Canada in the permanent force, including civilian employment and the air force, (a) at headquarters at Ottawa, (b) at each military district in Canada.
2. How and where each is employed, appointment, regimental, staff or otherwise.
3. The amount paid each annually (a) in cash, (b) amount given to each annually by way of allowance, showing details of allowances.
4. The amounts deducted from or charged to each annually on any account (other than penalties) showing details of deductions.
5. Those employed as instructors, with the rank of each and where employed.
6. The number of persons instructed from August 1, 1924, to August 1, 1925, the rank of each, the course given each and where each instructed.

Right Hon. Mr. MACKENZIE KING: I think the hon. Minister of National Defence (Mr. Macdonald) suggested to my hon. friend that he should indicate more in particular the information he wanted, inasmuch as the motion as it stands would involve a great deal of research and copying. Perhaps my hon. friend would let the matter stand until he has a chance of conferring with the minister.

Mr. DOUCET: Stand.

Motion stands.

PRICE OF NEWSPRINT

On the motion of Mr. Stevens:

For a copy of all correspondence, letters, telegrams, documents, etc., passing between R. J. Crombie of the Vancouver Daily Sun, Vancouver, British Columbia, and the Prime Minister of Canada or any other minister of the crown, or any officer of the government and having reference to the price charged in Canada for newsprint and the price at which Canadian newsprint is sold abroad, together with all documents and reports made to the government in regard to the same during the years 1922, 1923, 1924, 1925 and to date in 1926.

Mr. STEVENS: In connection with this resolution, Mr. Speaker, I understand that certain matters have been undertaken by the government which the passing of this resolution might adversely affect, and I would therefore suggest that it be dropped for the time being.

Mr. SPEAKER: Dropped.

Motion dropped.

MR. H. BOULAY

On the motion of Mr. Culligan:

For a copy of any letter or letters written by Mr. H. Boulay, of Sayabec, county of Matane, to the Minister of Militia and Defence at Ottawa, on January 18, 1918.

Right Hon. Mr. MACKENZIE KING: I understand that the minister desires to know the subject matter of the letters referred to. These letters are indexed according to the subject matter in the department, and perhaps the hon. member would indicate what the subject matter is.

Mr. DOUCET: On behalf of the hon. member for Restigouche-Madawaska (Mr. Culligan), may I ask that the motion stand until he is here.

Motion stands.

IMMIGRATION PERMITS

On the motion of Mr. Morand:

For a return giving a settlement of all permits issued by the Minister of Immigration, under section 4 of the Immigration Act, showing the names of all persons permitted to enter Canada under the said section during the years 1922, 1923, 1924, 1925; the occupations and former residences of all such persons; the dates and places of entry into Canada; the duration of their stay in Canada as allowed by such permits and whether still in Canada; and if so, their present places of residence; and if not now in Canada, the dates and places when and where they left Canada.

Right Hon. Mr. MACKENZIE KING: I do not think there will be any objection to this motion, but in the absence of the minister I would be obliged if it could stand.

Mr. SPEAKER: Stands.

Motion stands.

REPORTS OF HON. WILLIAM PUGSLEY

On the motion of Sir Henry Drayton:

For a copy of the report or reports, finding or findings, made by the late Honourable William Pugsley, in his capacity as custodian of enemy property, or any other capacity while in the pay of the government of Canada, since his retirement as Lieutenant-Governor of the province of New Brunswick.

Hon. Mr. LAPOINTE: May I ask my hon. friend to let this motion stand, as I should like first to communicate with the Secretary of State?

Motion stands.

TAXATION IN CANADA

DUPLICATION AND DEMAND FOR REDUCTION

Mr. T. L. CHURCH (Toronto Northwest) moved:

Whereas it was deemed necessary and expedient to impose an income tax by the parliament of Canada as a revenue measure growing out of the war and to temporarily invade the former exclusive field of the municipalities to collect this form of taxation.

And whereas such taxation has led to duplication and there in an urgent demand for reduction of taxation and to restore to the municipalities their former exclusive rights and prerogatives to this form of taxation. Therefore this House will support the government in any immediate measures it may take to give effect to the principles of this resolution and so reduce taxation.

He said: Mr. Speaker, at the request of some of the municipalities I am bringing up this question of taxation. Formerly, income taxation was imposed by the municipalities and provinces alone, but in 1917, during the stress of the war, the federal government initiated income taxation. It may have been a necessity during the war, but it was generally hoped that as soon as the war was over, in view of the increased burdens imposed by the war upon the municipalities of this country from coast to coast, and in view of the further fact that the federal field of taxation was unlimited, this form of taxation would be left as formerly to the municipalities and the provinces.

The main problem before this country to-day, Mr. Speaker, the one that is discussed upon the public platforms, in the press, by boards of trade, chambers of commerce business men and the working classes generally, is taxation. We spend many days in parliament here, but very seldom do we devote an hour or even half an hour to the most important question before this country to-day, taxation, which affects every man, woman and child in the country. Taxation, immigration, and the taking care of the deficits on the Canadian National Railways are three of the most important problems which the people of this country are facing at the present time. It was hoped, and indeed intimated by the late Minister of Finance and by the present Minister of Finance, that the conference between the federal, provincial and municipal authorities on the question of taxation would result in some equitable, fair and just division of the field of taxation in this country, so that further taxation might be placed on those who were best able to bear it, and that a fair, just and equitable system of taxation would be worked out in which the federal, provincial and municipal governments would each do its part.

I admit that the duties of the government are not at all light; the responsibilities are very heavy and their duties onerous. It is the desire of all good citizens to pay their fair share of taxation. I think it is the wish and the endeavour of every honourable man to do what he can in this respect. The hope was entertained that when the conference on taxation took place the government would endeavour to do something for the struggling municipalities of this country. It is too bad that this hope has not yet been realized. We were told in the last parliament that the question of unemployment was solely a matter for the municipalities to deal with; that the federal authorities had nothing to do with unemployment. Let me point out, Mr. Speaker, that meeting the needs of the unemployed and dealing with many other matters entail a heavy burden on the municipal councils of cities and towns, and on the county councils as well. Not only have they to meet the distress resulting from this cause, but they have to maintain hospitals, care for the sick, and provide for many other burdens. Surely it was not within the minds of those who drafted the British North America Act that such a heavy burden should be thrown on the municipalities of this country from coast to coast.

So I say that in 1917 when the federal authorities invaded this income tax field of taxation formerly occupied by the municipalities, they went a little too far. However, the federal government having pursued that course, the hope was entertained that such action could only be temporary, that when the war was over, or within a few years afterwards, it would find some more equitable and just system of taxation as a result of which the municipalities would have restored to them the revenue from income taxation exclusively—which prior to that they have always enjoyed. As I figure it out, 80 per cent of the income tax is paid by persons with fixed salary—the small man, the consumer; perhaps it would be fairer, to say the middle-class people of this country. If you refer to the reports of the assessment commissioners of the cities and towns of Ontario, giving the population and the income assessment in each case, and the average tax payable per capita—and I have returns from twenty-six municipalities in my possession—you will find that the great bulk of the income tax levied by civic and the federal authorities is collected from those whose income is fixed and can be readily ascertained, and whose position leaves no possibility of escape from such taxation. I may say that the power of direct taxation on real estate and income is limited in the case of municipalities by the British North America Act. On the other hand the Dominion has eleven different methods of direct and indirect taxation. Surely therefore, it can leave to the municipalities the undivided enjoyment of the revenue from income tax which, in the case of the Dominion, has been felt as a great added burden and double-header tax throughout Canada and has not given the yield it should have done. This is apparent when you remember that whereas the revenue from the Dominion income tax at one time amounted to $119,000,000, it fell last year to $46,000,000. The eleven different methods of federal taxa-

tion now in existence can be enumerated as follows:

1. Customs tariff.
2. Excise taxes on various commodities, such as automobiles, matches, cigars, wines, beverages, and so forth.
3. Income tax.
4. Tax on sales.
5. Tax on licenses.
6. Taxation on corporations and companies.
7. Tax on cables and telegrams.
8. Railway and boat tax.
9. Stamp tax on checks, drafts, bills of exchange, notes and stock transfers.
10. Stamp tax on money orders, letters and post-cards.
11. Stamp tax on receipts.

From the foregoing eleven sources the Dominion collects about $346,000,000 of direct and indirect taxes in the country. The income tax has a super-tax feature of taxation as well. It is stifling enterprise and imposing a heavy burden on the people. In my opinion we should reduce the income tax and the super-tax to the United States level, thus encouraging capital to invest in Canada and making an economic surplus available for the development of the country, and increasing the revenues of the country.

The present method of taxation is far from equitable. The tax is levied on some and not on others; there are a great many people who escape entirely and who are not called upon to pay any income tax at all. I know of a case in Toronto where the man enjoys an income of from $50,000 to $60,000 but escapes with the payment of a very small income tax. In connection with his year's operations he voted himself a bonus of $100,000 and by calling it a bonus, not income, he escapes by design. That is one way of escaping taxation. Nobody objects to paying a fair share of taxation. It is the duplication and inequalities that make people dissatisfied, combined with the failure to allot an exclusive sphere of taxation to the respective authorities—the Dominion, the provinces, and the municipalities.

At present there are $931,512,900 of war bonds outstanding which are free from taxation. Why cannot part of this be commuted and this vast capital put back into circulation and into economic and industrial development, thereby creating another source of revenue to the country? Canada is the most over governed country in the world. There are two houses of parliament for the Dominion; two legislative bodies for certain of the provinces; and innumerable municipal councils.

Mr. MACLEAN (York): May I ask the hon. gentleman who imposed upon the Canadian people the bodies of which he complains?

Mr. CHURCH: I cannot say our constitution does. The hon. gentleman has been in the House longer than I have and I will leave it to him to give that information. These taxes were said to be necessary during the war. I am not making any criticism because of their imposition.

Mr. MACLEAN (York): I am referring to the institutions which the hon. gentleman mentioned. They have been imposed upon Canada by the British North America Act. We cannot amend them as conditions are at present, so they will continue to be with us until such time as this parliament has the right to amend the constitution.

Mr. CHURCH: The British North America Act has nothing to do with this method of collecting taxation. The municipalities ought to have the field to themselves. The hon. gentleman wants to amend the British North America Act, but it will be a very sorry day for this country if his method of amendment goes through. It will be good-bye then to the province of Ontario, to property and civil rights within the provinces, to vested rights, to the rights of minorities, and to everything else in this country. That is my opinion. However, that issue is not relative here.

Public bodies all over Canada are complaining about the heavy burden of taxation which is in force to-day. In this connection let me quote the following from a speech by Sir Herbert Holt:

> In his address at the annual meeting of the Royal Bank of Canada Sir Herbert Holt said that taxation in Canada has reached the point where it is retarding the growth of national wealth, increasing the cost of production, decreasing demand—and with it profit and wages—and withdrawing money from productive use. He says the country is over-burdened with government, and the enormous expansion of the public debt is a matter of grave misgiving. Canada is over-governed and over-taxed, and the one is the natural corollary of the other. The political diseases from which we suffer have been diagnosed long ago, not only by business men, but by the ordinary voter as well. Administrative extravagance and incompetence have been in the saddle too long.

Then, too, Sir Thomas White in a speech before the Canadian Club at Montreal expressed himself as follows:

> Foremost among our problems of to-day is the problem of our public indebtedness. The net direct public debt of Canada is seven times what it was before the outbreak of war. One favourable feature is that it is principally held by our own people. Another is that it is funded and that consequently our currency is not depreciated. This is the reason why our exchange has been well maintained.
>
> The inherent soundness of our financial position is best illustrated by the fact that the Canadian dollar stands at par. We are virtually upon a gold basis and at any time could resume specie payment. Personally I have no criticism for our not having taken

the final step in resumption. It is better to wait until the action taken is clearly interpretive of actual and probable conditions of our exchange.

Sir Thomas White added:

In addition to our Dominion direct debt there is the heavy outstanding indirect liability upon guarantees of issues of the railway companies now embraced in the Canadian National Railway system and for the annual deficit from that system which is owned by the Dominion.

Heavy Taxation and Enterprise

More serious even than this is the effect of our heavy taxation upon the spirit of enterprise in our people. The heavy supertaxes upon income deter men of initiative and constructive capability from embarking in new enterprise in which if loss is made it must be borne by themselves, while the gain accrues in such large proportions to the public treasury. The withdrawal of such large sums as are collected annually in income taxation from the capital fund available for new enterprise constitutes a serious hindrance to the launching of new undertakings by the people of Canada. The result is that our people are not participating to the extent they should in the development of Canadian industry and commerce.

Problem of National Economy

Connected with this problem of taxation is the problem of national economy. This must necessarily relate to controllable expenditure. Governments are blamed universally for their extravagance, but the fault partially lies back of governments and parliaments, with the people themselves.

We shall get economy in all governments when the great mass of the people are so imbued with the spirit for economy that they will not support needless expenditure. You are not likely to get this condition until our public agencies, such as the press, actively take up the question and bring home to the conviction of the people the consequences of indifferences or lethargy or even hostility in the matter of public economy.

That is his opinion of the income tax. I was referring to the decrease in revenue from taxation. The revenue from income taxes levied by the Dominion of Canada has fallen from $119,000,000 four years ago to $46,000,000 last year. That shows two things—rich men have learned how to evade payment, and incomes generally have seriously declined.

I will refer to what has been done in England and the United States in regard to the income tax. At the present time the Mother Country is paying $500,000 a day to the people of the United States as war debts. They are carrying the burden of the debt of the war in many ways, and the payment of $500,000 a day to the United States is one of the heaviest for the Old Land. The conditions in Canada of course are not similar. Lord Churchill, Chancellor of the Exchequer, introducing his budget speech in England, said:

The main grounds of British policy has been threefold: first, to balance the budget out of revenue; secondly, to reduce the debt; thirdly, to reduce public expenditure, and in consequence to remit taxation. We had either achieved or made progress towards all these objects. From 1920 onwards we had balanced our budgets. We had reduced our debt from the peak of which it stood in 1919 (not in nominal figures but in facts) by over £736,000,000, and we had reduced our real annual interest charge by over £70,000,000 a year. Expenditure had fallen from £1,655,000,000 in 1922 to less than half that figure now, and taxation had been reduced by over £300,000,000 a year. This year's budget alone reduced taxation by £32,000,000 in a full year. Except the United States, Holland and Switzerland, we had the lowest bank rate in the world.

That is what they are doing in the Old Country, notwithstanding the fact that they are paying their war debts to the United States every day when other countries are not paying them. The Chancellor of the Exchequer has come along with another reduction in the British income tax in his budget. It may be that the income in Great Britain per thousand is higher than in Canada, but as I say the commitments are different and the conditions are different. Not satisfied with that, the United States of America have made their third cut in five years in the income tax. The last budget brought down shows a reduction in the income tax and the nuisance taxes, as shown by the following despatch:

Washington, June 30.—After to-morrow midnight there will be no tax on a movie that costs you 50 cents or less, no tax on telephone or telegraph, candy or a variety of commodities, such as X-ray films, hunting knives, riding habits, stilletos, smoking stands, hunting garments, etc.

These so-called nuisance taxes have been wiped out, as also have taxes on all amusements, jewelery, automobiles and every form of petty nuisance tax.

They have reduced the income tax under the Mellon plan. A comparison of the United States and Canada's income and taxes is very interesting. The figures are as follows:

Tax on Earned Income—Married Man, No Children

Net Income	Actual 1924 U.S. Tax	Proposed 1926 U.S. Tax	Canadian Tax
$ 3,000	$ 7 50	None	$ 40 00
4,000	22 50	$ 5 54	80 00
5,000	37 50	16 88	126 00
6,000	57 50	28 13	178 50
10,000	207 50	101 25	619 50

I will read the following paragraph which gives details of the United States taxation reduction bill signed recently by President Coolidge:

Washington, Nov. 6.—Taking its first official action on the new tax reduction bill to-day, the ways and means committee of the House, fixing income and surtax rates, destroyed the basic character of the Mellon plan of tax reform as it has once more been presented to congress. A revenue cut of $200,000,000 was agreed upon.

Concessions made on both sides insure a non-partisan report of the bill but a unanimous report is almost certainly impossible.

To-day's decision of the Ways and Means committee may be summarized as follows:

Normal rates—1½ per cent on first $4,000; 3 per cent on next $4,000; 5 per cent on balance.

Surtax maximum—20 per cent.

Exemptions—Raised from $1,000 to $1,500 for single men, from $2,500 to $3,500 for married men.

Retention of earned income deduction of 25 per cent up to $10,000.

Estimated revenue reduction—$200,000,000.

The Mellon proposals discarded are as follows:

Normal rates—1 per cent on first $3,000; 2 per cent on next $4,000; 3 per cent on next $4,000; 5 per cent on the balance.

Exemptions the same as at present.

Elimination of earned income deduction provision.

Estimated revenue cut—$140,000,000.

That is the plan President Coolidge adopted the other day.

Now I come to our tax, and I will quote an article from the Simcoe Reformer, a paper which refers to the paying of taxes on taxes. Not satisfied with having municipal taxation we have a federal tax as well. You pay on what you do not earn, and that is the most inequitable tax that can be imposed. The article in the Simcoe Reformer reads as follows:

Paying Taxes on Taxes

To abolish an existing anomaly whereby Canadian people are paying taxes on taxes is the purpose of a resolution which T. L. Church, M.P., proposes to introduce in the House of Commons. The present Dominion income tax law provides for payment of taxes on gross income, less certain deductions which, however, do not cover the amount already paid or to be paid to the municipality, nor the taxes already paid on account of the home occupied by the taxpayer. Mr. Church calls for the abolition of the tax in toto, but as this tax is a big source of revenue for the administration of public business, it is unlikely that his demand will meet a favourable reception. That portion of his resolution which deals with the method of applying the tax should, however, be promptly dealt with. In the average individual case the difference between a tax on gross income and that on net income would not be large, but it is sufficient to excite much resentment among Canadian taxpayers. Taxes are already high enough without having to pay taxes upon taxes.

According to the text books on economics the principles on the basis of which taxation should be fair and just are as follows:

1. Equality or ability to pay.
2. Certainty.
3. Convenience.
4. Economy.

According to Andrew Mellon, Secretary of the United States Treasury, the principles of taxation are:

1. It must be scientific.
2. It must not disturb business.
3. It must get the most money with the least annoyance.

When he found that this income tax was eating into business and industry, he set about reducing it. Our income tax fails on all these aforesaid principles and grounds and it is unfair, unjust and inequitable. The chartered banks under the present law make no return of the amounts they have on deposit. It is impossible to understand exactly what the income tax law is to-day; it would take a Philadelphia lawyer to make up one's income tax bill, and a professional man experiences the utmost difficulty in making out his income tax form. Since this law was first put into force in 1917 exceptions and provisos have been made to every clause and the whole thing has become very complicated; in fact making a will is a simple matter in comparison with filling out an income tax form for the federal government. Therefore, if this tax is to be continued, the legislation and various acts should be consolidated, but it would be better if the tax were reduced or eliminated altogether. By increasing taxation from other sources the government would collect more in the long run and this form of taxation could be handed back to the municipalities.

Another feature in which this form of taxation is unfair is that the rate is the same on earned income as on dividends, and there should be a difference. In respect to dividends corporations are required to pay from 10 to 10½ per cent on profits realized in excess of $2,000, while shareholders are relieved only from payment of the normal tax.

Just to show how the small man and the man with the fixed salary are paying the greater part of the income tax, I may say that the total assessment from the inception of the income tax in 1917 to the end of 1924 was $267,004,599, while the amount collected during that period, exclusive of penalties and interest, was $265,228,674. That shows that the tax was collected from those whose income was known. As to those whose income was not known and who could evade the tax, that is another matter. According to the return made by the minister the government cannot find out the numbers of those with incomes of $1,000, $2,000, $3,000 and so on up to $100,000. All that information is a matter of bookkeeping; it is in the accountants' books throughout the country in the various taxation districts and is not available. The assessment commissioner of Toronto, in his report which was issued last month, gives the numbers of those with incomes of $1,000 up to the highest income on which the city collects taxes. He has found that there are seventy-six incomes over $50,000 and 29,781 incomes less than $1,000. From his tables I make the calculation that eighty per cent of the income tax is paid by those who have fixed salaries, including of course the lower salaried men.

The present Minister of Finance (Mr. Robb) has not been unmindful of the injustice of

this tax and I think he has been doing what he can to remove the burden of taxation from the breakfast table and from those least able to pay. I hope he will consider the economic principle of taxation of the ability of the average man to pay, a principle that is neglected in this method of income taxation, as I think I showed a few minutes ago. I pointed out that by these eleven federal forms of taxation $345,000,000 had been collected from the people, eighty per cent of it being taken from the small wage earners, and as to the income tax the man with a fixed salary pays, while some jobbers and others with large incomes are not paying anything at all. I know of one gentleman in Toronto—I sat on a board of directors with him—who is said to have an income of a million dollars and was not paying a cent of income tax, and yet he is occupying one of the highest positions in the country.

Why should this double tax be collected by the Dominion on the first of May and then about the same time by the municipalities on the 15th of May, making it a double-header tax on the fixed wage earner at the same time who is moreover paying taxes on taxes, taxes to the Dominion on the amount of money he pays to the municipality?

The other day the editor of the Grimsby Independent was sitting in his office thinking on political economy and taxation and this is what he says:

Discourse On Taxes

Grimsby Editor Tells a Few Plain Truths to All and Sundry

Grimsby—Editor of the Independent puts on his thinking cap and hands out wisdom so that he who runs may read—

A good many municipal authorities have the idea that a grant from the province or from the Dominion relieves the municipality of just that much expenditure. But it does not. All government money is the people's money, and our old friend, Mr. Ultimate Consumer, supplies it all in some way or other. This problem of taxation is one which requires much intelligent thought on the part of all citizens.

I understand the minister the other day met a deputation of the retail merchants who are complaining very bitterly about the burden of taxation that they are paying under the eleven different forms which I have set out to-day. I believe they went into the matter very thoroughly, pointing out that the federal income tax was not a tax which should continue and they presented him with a memorandum on the subject. I will not go into the memorandum to-day because time will not permit, except to say that it proves conclusively that this tax has been a failure and that by redistribution of the other ten existing forms of taxation we would collect more than is collected by this income tax.

Since this tax has been imposed central Canada has been paying the greatest proportion of it. Of the $57,000,000 collected in 1924 the amounts collected by provinces are as follows:

Prince Edward Island..	$ 38,000
Nova Scotia..	847,000
New Brunswick..	767,000
Quebec..	20,148,000
Ontario..	26,059,000
Manitoba..	3,526,000
Saskatchewan..	891,000
Alberta..	1,189,000
British Columbia..	3,930,000
Yukon..	69,000
Total..	$57,466,000

The municipalities of the country are to-day facing a situation that it is becoming increasingly difficult to cope with. The tax rates of Ontario municipalities have risen from 12 to 14 mills on the dollar, which they were before the war, to 28, 32, 36 and 38 mills on the assessment, some of them just three times what they were before the war, the reasons being increased costs of labour and materials and money, the higher cost of living, better living conditions, the eight-hour day and many other matters like that brought about since the war. For these and many other reasons which I have not time to discuss now, I trust the income tax will be discontinued by the government and handed back to the municipalities where it always was, or that the minister in his budget will make reductions and thus give relief.

The municipalities have only a limited field of taxation whereas the Dominion government can levy taxes in ten or eleven different directions. Surely the Minister of Finance (Mr Robb) can relieve the burden on the Canadian people in the matter of income tax. I know that he is doing the best he can but it is obvious that something more must be done. The income tax is one form of taxation that has proved a failure: the government has not been able to collect the tax from those who can best afford to pay it; it is being collected from the poorer and the middle classes. The wage earners have to bear the brunt of this tax, which is unfair and unjust. It is easy for the officials of the government to get after the poorer classes and those in the middle walk of life inasmuch as they can go to the office of the business employing these people and ascertain just what their wages are. It is therefore the people who have a fixed income that are always subject to direct supervision. In the case of the others to whom I have referred there are many ways of escape.

In conclusion I beg to move this resolution, which I trust the House will adopt. This field of taxation was formerly the special prerogative of the provinces and the municipalities and I think they should once more have the right to collect income tax, particularly, as I have pointed out, in view of the fact that their field is so limited. Moreover, increasing burdens and responsibilities are being placed upon the municipalities. For example, they are being called upon to provide for the unemployed, while soldiers who do not benefit by the pension provisions of the Dominion become a charge upon the municipalities. Hospitals and charities of various kinds have also been shouldered upon the municipalities, who to-day are bearing the peak load of taxation. I regret that the conference between the Dominion and the provinces and municipalities proved abortive but I trust that something will be done this year to relieve the situation. If the income tax cannot be entirely wiped out, at least the government might reduce it by fifty per cent, and put this country on the same basis as the United States so far as this particular branch of taxation is concerned. In the United States the income tax has been reduced three times in five years so that to-day the people over there are well off in this regard in comparison with Canadians. If the government could see its way clear to reduce the income tax to the extent I suggest, it would be the means of stimulating business and increasing production, and would help very materially indeed to solve the unemployment problem, and the $45,000,000 which the treasury would lose could be made up in other directions.

4 p.m.

Hon. J. A. ROBB (Minister of Finance): My hon. friend (Mr. Church) has presented his argument in a very fair manner, as he always does, and I thank him at once for his kind personal reference to myself. If there is any man in public life who requires a little comfort once in a while it is the Minister of Finance of the government of the day.

Mr. MACLEAN (York): He is standing it all right.

Mr. ROBB: Of course I am speaking of governments in general. There might be another government to-morrow. The Minister of Finance is obliged to find revenues for the administration of the affairs of the country and to provide for the deepening of harbours, for the erection of public buildings, for increased salaries, and all the rest of it. No later than yesterday the hon. member for Toronto Northwest (Mr. Church), who has so eloquently pleaded this afternoon for a reduction in the income tax, pleaded with equal ability for expenditures in the city of Toronto and for increased salaries to the employees of the country. Clearly, I shall have to have a half hour's quiet talk with my good friend to see whether he can offer me some recipe to enable me to meet the two demands he has made.

I know, of course, that taxes are never popular. Everyone likes to have his taxes as low as they possibly can be, and there are a great many people in Canada who are trying to dodge taxation. There are also methods provided whereby they can do so; we ourselves provided such methods during the war. At that time everyone was keyed up and we were all anxious to finance our share of the obligations of the war. We therefore issued a considerable quantity of tax-exempt bonds, which to-day are held for the most part, not by the ordinary taxpayer whom we can get at, but by rich people who could and should contribute to the revenues of the country. They have these tax exempt bonds stored away and are thereby enabled to evade taxation.

My hon. friend is quite correct when he says that the income tax and other taxes which the people of Canada are to-day paying are the result of the war. We went into the war to the limit, assuming great obligations, and although, as my hon. friend says, the war has been over for some years we must not forget that the expenditures incurred during that time have still to be met. In that sense, therefore, the war will not really be over for Canadians for some time to come. I do not suppose that there is an hon. member who would stand up in his place in this House and advocate a repudiation of the obligations which we undertook in the war. Well, we require money not only to meet the interest in our war debt but for pensions and many other expenses which are directly attributable to the war. For instance, it is reckoned by officers of the department that of the estimates now before the House fifty-eight per cent is required to provide for statutory and war expenditures. Hon. gentlemen will therefore observe how difficult it is for a government, let it economize how it will, to make both ends meet and to provide for the requirements of the country. And everyone who has confidence in this country will admit at once, I am sure, that there are certain undertakings which it is necessary that we should carry out.

My hon. friend referred to the conference held a few years ago in Ottawa between the

Minister of Finance of the Dominion and the treasurers of a number of the provinces. Not all, but most of the provinces were represented at that conference, and while there was a difference of opinion upon some issues, I think we were unanimous on one point, and that is that both the Minister of Finance for the Dominion and each of the provincial treasurers were fairly well disposed to maintain the policy of "what we have, we hold." The provincial treasurers were all anxious to retain their taxes and I was equally anxious to hold on to the taxes in the federal field. It is true, as my hon. friend said in his concluding remarks, that the provinces have incurred considerable expenditure in recent years. This is due to the condition of the times. The automobile has brought about an increased expenditure in most provinces through the construction of better roads—for good roads are expensive. Many of the provinces have spent a good deal of money on the improvement of their highways, and this of course, involves taxation. I am glad to say, too, that there has been an improvement in our system of education; most of the provinces are paying more for education to-day. Many of the municipalities are also paving their streets, erecting public buildings, and doing other things that are adding materially to their expenditures, so that the provinces and the municipalities unquestionably have increased burdens to bear. But none of the provinces or municipalities have any war obligations to discharge. The obligations of the war are upon the federal treasury, and we of the Dominion parliament, having a desire to provide for the expense of the war and the carrying on of the affairs of the country, must consider very carefully what taxes we can dispense with. I notice in the argument of my hon. friend that he did not challenge the right of the Dominion government to impose an income tax. That question was challenged by a minister of one of the provinces, who claimed that under the British North America Act the provinces alone could impose income tax. The question was decided in a judgment rendered by the Privy Council in the case of Caron vs. the King in 1924, and for the information of hon. members I shall place on the record the headnote of that judgment:

The parliament of Canada had power under section 91 head 3 of the British North America Act, 1867, to enact The Income War Tax Act, 1917 and amending act, of 1919, whereby every person residing or ordinarily residing or carrying on business in Canada is rendered liable to pay income tax; and a minister of the government of a province is liable under the acts in respect of the salary and sessional indemnity payable to him under statutes of the province.

The Income Tax Act of 1917 was first introduced by Sir Thomas White in July of that year. It might be interesting to hon. members to have on the record the opinion of Sir Thomas White, who was Finance minister of the day. Sir Thomas White was not only a good Finance minister, but a good lawyer and a well posted legal authority as well, and had very decided views on taxation problems as between federal and provincial governments. Sir Thomas, in presenting that bill, made these observations, which I find on page 3760 of revised Hansard of 1917:

Mr. Chairman, the enactment of the Military Service bill which has just passed through the House will result in material increase in and acceleration of the war expenditures of the Dominion.

By that bill, provision is made for calling an additional 100,000 men to the forces of Canada. In view of the expenditure involved, and in order to maintain the credit of the Dominion, it is necessary that we should adopt further taxation measures. Apart from this necessity from a financial standpoint, there has arisen, in connection with the Military Service bill, both in this House and in the country, a very natural and, in my view a very just, sentiment that those who are in the enjoyment of substantial incomes should substantially and directly contribute to the growing war expenditures of the Dominion.

In view of these considerations, I desire to-day to lay before this committee proposals for a national measure of income taxation. I may say that the adoption of such a measure is a distinct innovation in federal fiscal legislation. Hitherto we have relied upon duties of customs and of excise, postal rates and other miscellaneous sources of revenue. It is true that since the outbreak of the war we have adopted the Business Profits War Tax Act which is a measure of direct taxation akin to income taxation, but not so wide in its scope. As the members of the committee are aware, the Dominion government, under the provisions of the British North America Act, is empowered to raise revenue by any mode or form of taxation, whether direct or indirect. On the contrary, the provinces, and, by consequence, the municipalities which derive their taxation powers from the provinces, are confined, in the raising of their revenues, to measures of direct taxation. For this reason, since the outbreak of the war, I have hesitated to bring down a measure of federal income taxation. As I have stated, the provinces and the municipalities are confined to direct taxation, and I have not regarded it as expedient, except in case of manifest public necessity, such as I believe exists at the present time, that the Dominion should invade the field to which the provinces are solely confined for the raising of their revenue.

It will be observed that Sir Thomas White hesitated to bring down that measure, but having the responsibility of providing for the maintenance of our army at the front and for the interest on the debts which had already accrued, he saw the necessity of entering the income tax field and thus providing revenues for carrying on the affairs of the country.

I have sometimes heard Sir Thomas White criticized for having, when he was financing

the war, exempted so many from taxation through tax-exempt bonds. I was never disposed to find much fault with that, because we were living alongside of the United States and they as well as most of the countries in the war at that time were providing tax-exempt bonds. Sir Thomas, having the responsibility of raising money, adopted those measures which were adopted by most of the other countries. So I say here to-day that I am not challenging the policy of Sir Thomas White. Had I at that time the responsibility I have to-day, and under similar conditions, I do not know that I could have done much better.

Mr. MANION: I would like to ask my hon. friend a question. Is it not also true that in the United States there are many states and municipalities which have the right even to-day of issuing tax-exempt bonds?

Mr. ROBB: I am coming to that in a moment, but the fact remains that in financing the war we did provide a means for many people to evade taxation. We have tax-dodgers in this country, as they have in other countries. I am told of a method of evading taxation which is not novel to this country but was borrowed from the United Kingdom, whereby certain companies were organized to enable people to escape taxation. Notwithstanding all that, the people of Canada very cheerfully and willingly contributed to the public exchequer for the carrying on of the war, and the revenues which we have derived from these various taxes have helped materially in providing the interest on the war debt and the pensions we are now paying.

My hon. friend a few moments ago made some reference to the changes in the revenues derived from these sources of income. I have before me now the figures. The revenues from that source in 1918-1919 were $9,349,719.-80; in 1919-1920, $20,263,739.91; in 1920-1921 $46,381,824.31; in 1921-1922, $78,684,354.80; in 1922-1923, $59,711,538.37; in 1923-1924, $54,204,-027.99; in 1924-1925, $56,248,042.82. These figures may be found in the Public Accounts, at page 47.

Mr. EDWARDS (Frontenac): In what year was the maximum amount received?

Mr. ROBB: The maximum was received in 1921-1922. That, I imagine, would be due to the addition of some of the revenues from some of the previous years, when there was a change coming in concerning the business profits tax and the income tax. Some of the taxes which formerly went into the business profits tax might have come in the income tax.

Mr. GEARY: If I might ask a question, why does my hon. friend give the years as "1922-1923" and so on?

Mr. ROBB: That is the way they are listed in the public accounts, from which I am quoting.

Mr. GEARY: Will the minister tell me why that is? It is the annual calendar year.

Mr. ROBB: The fiscal year ends March 31, and I refer to this year, for instance, as 1926-1927.

Mr. GEARY: I see what you mean.

Mr. ROBB: In addition to the income tax, we have other special war taxes that were imposed under the legislation of 1915. It is not necessary for me to enumerate all these special taxes, but the total revenue derived from these so-called war taxes—so-called war taxes, let me repeat that—in the last fiscal year was approximately $147,000,000, while during the same period the expenditure on account of the war was approximately $167,-000,000; so these taxes imposed for war purposes last year were, in round figures, about $20,000,000 short of providing for the total obligations arising that year out of the war.

It may interest hon. gentlemen, in view of statements that have been made from time to time as to the cost of collecting the income tax, to know that the Commissioner of Taxation, Mr. Breadner, advises me that the cost of collecting the income tax has during the past five years averaged two and two-thirds per cent.

While we all admit that Canada has more taxes than we would like to have, and more taxes than we had prior to the entry of Canada and of the whole world into the war, nevertheless Canada is not taxed to a degree that would induce any of our citizens to leave Canada and go and live in some other country. Indeed, the taxation in Canada compares favourably with that of almost any other country in the world where the people enjoy the same comforts. I have here a newspaper reference to the comparative taxation of Canada and other countries. I shall not read the article, because hon. members read the papers just as I do, but if they will refer to the Ottawa Citizen editorial column of March 13, 1926, they will find there a comparison of the per capita tax paid by Canada, Australia, Great Britain and the United States. It is estimated that the total per capita tax paid in Canada, and this includes, I imagine, federal, provincial and municipal taxation, is $66.11; in Australia, $69.68; in Great Britain, $97.12; and in the United States, $67.39. In other words, the per capita tax in the United States,

the country where they boast much of reduction of taxation, is $67.39, as compared with $66.11 in Canada.

Mr. MANION: May I ask my hon. friend a question in that regard? I do it for information, because that statement has been put out two or three times, and I fear it is wrong.

Mr. LAPOINTE: It is right.

Mr. MANION: What I was going to ask is this: How is it that the per capita tax in Canada is only $66 when the tax collected by the federal government alone amounts almost to that? Where do the provinces and the municipalities come in?

Mr. ROBB: I am speaking of the taxes imposed. I have here a statement which has been sent to me by a firm—I do not like to give the name, but if any hon. gentleman is interested I will show him the letter in confidence. It is from a firm of high-class attorneys and counsellors-at-law in New York city, and they provide me with this information. It came about in this way. Their attention had been directed to the grumblings of some Canadians over the duplication of taxation in Canada, and they said: You people in Canada do not know anything about taxation. Here is the information they give me as to the taxation that would be imposed upon a gentleman residing in the city of New York. He would be subject to:

1. Federal income tax.
2. New York state income tax.
3. Local real estate taxes.
4. Local taxes upon certain kinds of personal property.
5. Special tax laws, for instance, the tax on motor cars, motor boats, and so forth.

In addition to the foregoing, all individuals there indirectly pay various forms of excise taxes, taxes upon theatre tickets, taxes on club memberships, taxes upon automobiles, and so forth. Then in addition to that, there is another tax which their heirs cannot escape after they are gone; that is, the inheritance tax. Some of our provinces have an inheritance tax, but we have no federal inheritance tax like they have in the United States. In the United States they not only have a federal inheritance tax, but many of the states also impose an inheritance tax, and a resident of New York city, or rather his estate, would have to pay not only a federal inheritance tax, but the New York state inheritance tax and the inheritance tax of any other state in which he held property.

Mr. McGIBBON: Would it not be much fairer to compare the ratio of taxation with that of income? Upon that basis does not Canada stand fourth of all countries in the world?

Mr. ROBB: That is a debatable proposition. Having placed these figures on Hansard, I come now to something that may be perhaps a little more hopeful. If hon. gentlemen will follow the estimates as presented to parliament, and the expenditure as found in the public accounts, for the different years this government has been in power, they will find that each year there has been a reduction in the estimates presented to parliament, and a reduction in the expenses incurred. We have reduced some of the so-called obnoxious taxes, and we have made certain exemptions. When Sir Thomas White brought in some of his obnoxious taxes, the sales tax, for instance, and excise taxes, certain exemptions were made, and from year to year we have added to the list of exemptions. On certain foodstuffs we have reduced the sales tax, and on certain items we have removed it entirely; we have cut it in two on boots and shoes, and the finances now are in such shape that I hope to sit down with the officers and be able to work out something that will give a little relief to the people in the way of taxation. I do not say that that relief will be in income taxation; I do not say it will be in the sales tax, but I do agree with my hon. friend from Toronto Northwest (Mr. Church) to this extent, that in so far as we are able we must from year to year try to reduce taxation, and particularly try to get away from these so-called obnoxious taxes. But we can only do that if we have the support not only of those who sit on this side of the House, but as well of hon. gentlemen opposite in effecting economies. It is no use to preach economy one day, and the next day to urge expenditures in different parts of the country.

I repeat that there are certain expenditures that must be carried on. Not long ago I had a conversation with the president of one of the largest banks in the country; perhaps I am betraying no confidence when I say it was with the president of the largest bank in Canada. He said: "Mr. Robb, I think we have carried this economy idea to an extreme. I think it is reasonable that the government should provide certain expenditures for carrying on the affairs of Canada and developing this vast country." So that is the policy of the government: to economize where we can but not to the extent to discourage the development of our country and the opening up of new territory.

Mr. CHABOT: From 1921 to 1925 the revenue from special war taxes was about $535,000,000 more than it was from 1917 to 1921. What attempt was made by the government during that time to economize with a view of reducing taxation and the cost of living? The minister spoke of economy. Well, the government had an increase in the revenue there, from that source alone, of over $500,000,000 in those four years. I fail to see what attempt was made to reduce the taxation of the national debt at that time.

Mr. ROBB: Answering my hon. friend's very fair question—and I observe that he not only puts a question but attempts to answer it—if he will refer to the public accounts, audited by the Auditor General, he will discover that the expenditure has decreased year by year since 1922.

Mr. MILLAR: In connection with the levying of income tax, has the government considered the advisability of collecting the tax for a period of three, four or five years? If that were done it would be possible to provide for what we might call a lean year out of the profits of the good years.

Mr. ROBB: There is something to be said for my hon. friend's suggestion. I may say that the officers of the department have had that matter under consideration and study. Their objection to the proposal is that there is no finality. The system has not been satisfactory in Great Britain. They have there, I think, a three-year period, but it has not been as satisfactory as they would wish. Consequently they have recently been considering the adoption of the Canadian method, which is operative each year. I may say this to my hon. friend, that I have had some very lean years.

Mr. MANION: I asked the minister a question as to the issue of tax-free bonds in the United States both by municipalities and by states. He said that he would deal with the question but omitted to do so. May I ask if the minister has any information on this subject?

Mr. ROBB: I have information that they are even now in the United States issuing some tax-free bonds, but I am not prepared to admit that it is a wise policy in these days of peace.

Mr. MANION: I was not discussing that point. I merely wanted to know if that was not true, and whether the minister had any information on the subject.

Mr. W. F. MACLEAN (South York): I largely sympathize with the motion made by my hon. friend (Mr. Church), in favour of a reduction in taxation. The minister spoke of the enormous burdens that have to be met in this country, and pointed out that the revenue from income tax goes in a measure to meet these obligations. Now, I want to point out—I have done so before, but I am going to do it again—that we are wasting over $200,000,000 a year by maintaining a duplicate system of railroads in this country. I read in the evening paper that the new Minister of Railways (Mr. Dunning), says that he is going to maintain the two systems in spite of anything. He does say that he hopes to get a reduction of duplicate services; but I want to take this occasion, as representing the views of the Canadian people, to point out that they feel the enormous burden of our income tax. If that is so, it is up to the government of to-day to begin to reduce that burden and to deal with the railway question and the waste of $200,000,000 by unnecessary duplicate services. I hope the minister will pay attention to the fact that the Minister of Railways makes the announcement in western Canada to-day that he is going to maintain the two railway services notwithstanding the cost to the country which they involve.

Mr. W. D. EULER (North Waterloo): Mr. Speaker, contrary perhaps to your expectation, I do not rise to give support to-day to the remarks of my hon. friend from South York, although there is a great deal to be said for his contention with regard to waste by way of duplication in the two railway systems in Canada. I should like to make one or two observations on the subject of taxation now before the House. I think all of us receive from time to time many copies of resolutions passed by various public bodies and others asking that certain taxes shall be completely wiped out. Some ask that the income tax be discontinued, others say that the sales tax should be discontinued; and we are quite unable in many instances to judge for ourselves, as between the varying claims, just what we should do. It is true, of course, that taxes are always irksome. Anything that takes money out of our pockets is very unwelcome indeed.

As I see it, Sir, and I have had some experience in the matter of municipal taxation, there are really only two principles upon which the system of taxation can be based. The first one, and perhaps the fairest, if it can be applied, is to tax according to the service

that is given by the expenditure of the moneys raised by way of taxation. That would be the ideal way, the fair, and the just way, if it could be properly applied at all times. In the municipality we can do that to some extent. Taxes collected from the ratepayers are expended on education, fire protection, police protection, and so on. So that there we have developed perhaps to the greatest degree the principle of taxation according to value given. The other principle is to tax people according to their ability to pay, and it seems to me that so far as federal taxation is concerned, that is the principle that should be followed. Perhaps I might qualify that statement. If it were possible to pay the expenses incidental to a national debt caused by the war by taxing those who made money as a result of the war, it would be a very good thing indeed. I am not sure that it is possible to do that. Now, then I say that the income tax is right in principle. The man who earns a great deal of money, who makes a great deal of money by reason of the opportunities provided by this country, can very well be called upon to contribute a portion of his gains to the expenses of the country.

An hon. MEMBER: What about the small fellow?

Mr. EULER: I am coming to his case in a moment. While I agree in general with some of the observations, and should like to see the income tax reduced if it were possible, I must disagree with my hon. friend (Mr. Church), who suggested that the collection of income tax should be left to the municipalities rather than to the federal government. Probably I am going to get in wrong with my own municipality when I say this, but I believe that since large incomes are made—I am referring particularly to the larger incomes—largely because of the opportunities presented by Canada as a whole, therefore it is fair that the federal government should take a fair proportion of those earnings. If the principle is correct it seems to me it is then pretty much a matter of how the taxation should be applied. I should like to see taxation, the income tax and other taxes, made as little irksome as possible. There is room for improvement as far as the income tax is concerned and as regards some of our other forms of taxation. So long as I have been a member of this House—certainly so long as the nuisance taxes have been in existence—I have protested against the imposition of such taxation. I think my hon. friend the Minister of Finance knows that; I think his predecessor knows that also.

Mr. EDWARDS (Frontenac): What do you mean by nuisance taxes?

Mr. EULER: I mean such taxes as the stamp tax, the tax on checks, the tax on receipts, and all that sort of thing. I see no excuse for the imposition of these taxes; they are just about as inconsistent as the old window tax we used to read about in our school histories. There is no reason for this method of taxation except that it is one means of getting money without any regard as to whether it is got fairly or not, and it imposes inconveniences not justified by the results. I wish the minister could see his way clear, when he brings down the budget, to say "I am going to wipe out the stamp taxes and what are known as the nuisance taxes."

If you make your income tax too high, there is the constant temptation, as we see from day to day, to evade that tax, and I am sure the minister is losing millions of money that should fairly be paid into the treasury if it were possible to collect all the income tax that should be collected. Sometimes a tax will defeat itself. Perhaps I am out of order when I say that I would give as an instance of that in certain forms of excise tax. If you make your excise tax on alcohol—although I have not that particularly in mind—or on tobacco and cigarettes too high, you simply defeat the purpose of the tax altogether and encourage bootlegging and smuggling.

Mr. LAPOINTE: You are right.

Mr. EULER: My hon. friend says the middle man pays the most of the taxes. I do not know what he means by that. Perhaps he refers to the man who earns in excess of $2,000, up to $4,000 or $5,000. While I do not question that, I think it is true that the great majority of the working men of Canada under the present law do not, except perhaps indirectly—I suppose they do indirectly—pay a very great proportion of the income tax, and it should be so. I judge that most of the working men, the artisans and others, do not earn a great deal in excess of $2,000 a year, the amount which is exempt under the present law, and if they have a family of children they have an another exemption of $500 for each child. So that I believe after all most of the income taxes are paid by those who can fairly well afford to pay. At the same time I would have no objection if the sum of the exemptions were somewhat increased, possibly to $3,000.

Something has been said about the overlapping of taxation. I think the fact that three different bodies have the power to tax incomes is absurd in the extreme. That muni-

cipalities should have the power to tax incomes, that certain provinces should have the power to tax incomes, and that the federal government again should have the power to tax incomes seems absurd and entirely unfair. I do not know what the remedy is. I do not know whether it is necessary to amend the British North America Act in order to correct that evil, but if so perhaps it might be worth well to do such an unprecedented thing as to change that act.

Something is said about the fact that the United States have been cutting their income tax, and that because they had done so we also should do it. I grant that it is very desirable, if the United States by cutting their income tax are creating a condition which operates against us so far as business is concerned, that we should follow their example if we can, but we must consider this: If the same conditions obtain in Canada as obtain in the United States, then we can follow their example, but not otherwise. Fortunately for themselves, they are a wealthy nation and they have been able to reduce taxation, but I do not know whether that is possible in Canada. We must find the money to pay our obligations. The Minister of Finance has given us some encouragement to expect something in this regard. In all these proposals to reduce or abolish the sales tax, the income tax, or some other tax I have found a great dearth of practical suggestions as to how these taxes are going to be replaced by something else, and yet that is necessary.

I desire to make one or two suggestions. I spoke of one already, and that is the abolition of what I call the nuisance tax. We ought also to abolish what is known as the supertax—the tax upon a tax. That seems to me unfair. The income tax could also be somewhat simplified again. I would like to ask the Minister of Finance a question. Perhaps the former Minister of Finance (Sir Henry Drayton) would take it upon himself to answer, because it was under his administration and that of his predecessor that the law was framed. My question is, why are speculative profits not taxable? As I understand the law, it is only the income a man makes from his regular business and from dividends and interest receipts that is taxed. A speculator buys a stock upon margin and invests a small amount of money, if you can call it an investment. He puts up perhaps $10,000, and by a fortunate turn in the market makes another $10,000. In that investment there is no labour involved, and that $10,000 unearned profit is free from income tax. I could never see why the profits earned in speculation should not be more justly taxable than the income earned by a man's own efforts.

An hon. MEMBER: Would you give him back his losses?

Mr. EULER: If he loses money in business, he does not get it back either. It would be fair to make some provision for losses sustained; say for example a business man has a large profit in some one year and in the next year he may lose just as much as he realized the year before; yet he pays taxes on the profits in the year when he is least able to pay. I know by experience—at least by having my attention drawn to it—that in the year 1920, for example, some manufacturers were very successful and made big profits. However, the next year they suffered very heavy losses—just as heavy as the profits made the year before—and yet in the year in which they lost their money they had to find money to pay the taxes on the profits made the year before. They were not one cent ahead on the two years but, had to pay the tax just the same. I understand that in England—and I am open to correction on this—the period during which the income taxes shall be calculated shall be a four year period.

An hon. MEMBER: Three.

Mr. EULER: I think the principle is entirely sound, and we have now had the income tax in operation sufficiently long that we should be able to adopt that principle.

Mr. WOODSWORTH: What would my hon. friend say in regard to profits made out of bootlegging?

Mr. EULER: I think I would take them all. I believe absolutely in the soundness and the justice of the income tax. I also believe that it should be reasonably applied and not made any more irksome than is absolutely necessary.

Mr. PETER McGIBBON (Muskoka-Ontario): I stated in the House the other day that I thought the income tax was one of the most unfair taxes that we had to deal with. I am still of that opinion because the basis of all taxation ought to be its fairness. I should like to draw the attention of the member for North Waterloo (Mr. Euler) to the fact that in the last five years—I am speaking from memory now and I put the figures on Hansard the other day—the salaried class, who cannot evade the income tax, have paid about $62,000,000 out of $170,000,000 odd collected. There is one class in this community who cannot evade payment of their taxes. They not only have to pay their

own income tax, but, as everybody knows, they have to pay a large share of other people's taxes which are passed on to them in one form and another and I am not finding fault with that. I think it is the legitimate process of business to pass the taxes on, but the fact remains nevertheless that the salaried class in this country to-day is being punished the most by this tax. They cannot evade it, and I hope the Minister of Finance will give this matter at least part of his attention. They have to pay their own tax, because their salary is on record, or reported by their superiors; and the income tax of others is passed on to them and they have to pay indirectly.

Mr. EULER: I quite appreciate what the hon. member says and I agree with him there is a difficulty in that direction. Does he regard that as a sufficient reason for abolishing the tax entirely, and if so, what would he suggest to take its place?

Mr. McGIBBON: I am not advocating abolishing the tax; I am speaking about the unfairness of the tax as it is at present applied. There is no question that the tax is being evaded. It has been stated this afternoon that victory bonds which are tax free are largely held by rich people. The Minister of Finance (Mr. Robb) and I am sure the hon. member for North Waterloo (Mr. Euler) know that to-day men can invest their money in stocks from which they receive a fairly good interest and yet escape the income tax because that tax is paid at the source. If I understand the application of this tax correctly, we do not apply a double taxation and to-day we have the wealthy class buying stocks that are as good as gold and that pay good interest, and thus being exempt from this income tax. We have also dozens of organizations, holding companies and such like, as a result of which men of wealth and means have their incomes exempted from taxation. Those are some of the unfair ways in which this tax is applied.

The income tax to-day has a very great effect in increasing the cost of living so that the poor man and the salaried man are hit in still another manner. What are we getting out of this tax? We know the tax received from the larger incomes has been decreasing every year and that will probably continue in an increasing degree. On the other hand the one class in this country that cannot evade the tax is being punished more severely every year. This country cannot carry on business and at the same time have a higher rate of taxation than that which exists in the country to the south of us. Taxation is more or less dependent upon business. If you have no business you are not going to pay taxes, while if you make the country more prosperous, incomes will increase and you will be able to collect a larger amount of revenue from the different sources of taxation. The present application of this tax is unfair to the majority of our citizens, it is increasing the cost of living and it is one of the greatest hindrances to business in Canada.

Mr. WOODSWORTH: Would the hon. gentleman consider the possibility of a super tax on incomes earned in Canada but enjoyed by those resident outside of Canada?

Mr. McGIBBON: I do not know whether there are many in that class or not, but I see nothing wrong with the suggestion. If people are making their money in Canada and do not think this country is good enough to live in, if it is possible to tax their incomes, I would do so. As the hon. member for North Waterloo said, there are other methods of evading this tax. For instance, I think it is a fact that if a man so wishes he can go on the stock market and buy good stocks for which he does not need to pay outright even if he has the money to do so, and if I understand the application of this tax properly he is not taxed on such holdings. A man can also buy stocks which have a real value, which are non-dividend paying, but which will increase and are bound to increase in value in the next two or three years, and that profit is not taxed. Therefore, I say that application of this tax as it is enforced to-day is not in the best interest of this country. I am not advocating the abolition of the tax, but I think it could be enforced in a manner that would be much fairer to the Canadian people and that would produce a greater revenue for the public treasury. I am offering these suggestions to the minister, and I hope he will take into consideration the salaried people who cannot evade the tax and who are indirectly paying a considerable amount of the other taxes.

Mr. J. L. BROWN (Lisgar): Mr. Speaker, I want to place myself very solidly behind income taxation as a principle. I agree with the statement that the only principle of taxation is ability to pay, and the intention is that the income tax should be levied upon those who are able to pay. I agree with the statement that in its application it has not always worked out fairly, but I am glad the hon member for Muskoka-Ontario (Mr. McGibbon) has not advocated the abolition

of the tax. I was under the impression from remarks he made in this House on a former occasion he was advocating the abolition of the income tax. I agree that there are some things in which its application is unfair. Undoubtedly those who are living upon fixed salaries are in a different position from others in that it is hard for them to evade this tax, because the amount of their income can be readily ascertained and they are in all cases compelled to pay according to the amount.

I will offer one or two suggestions as to the system we might adopt. A distinction should be made between earned income, that is income derived from salaries or income actually earned in the conduct of business, and income derived from investments. On the one hand you have a salaried man depending upon a fixed salary and paying his regular tax every year. He passes away and those who are dependent upon him are deprived of that source of income. Another man who is perhaps living upon the proceeds of investment passes away and yet the income goes on, his family receiving the same income as they did while he was alive.

Some attention should be paid to incomes derived from stocks in any corporation. As has been pointed out, under the present system the taxation is collected at the source. Objection is sometimes taken that the income tax handicaps industry, and I believe it would be well if in order to get rid of that objection, industries as such should not be subjected to this taxation, but that it should be levied upon individuals. I know the amount is much more easily collected at the source as is the case to-day, but I do not see any reason why a wealthy man who is drawing large dividends from stocks should be exempted from paying income tax on that amount. I would prefer that the tax on industrial corporations should be abolished and should be levied entirely upon the individuals. The most equitable way would be to have the tax levied over a period of three or four years. Not only is it true in business, but it is eminently true of those who make their living from farming that there are sometimes very lean years. A farmer may have a good crop one year and be in a position to pay a tax while the next year he may be in no position at all to pay a tax. The result is that he may pay much more than he would be really entitled to pay if the tax were extended over a three-year period. I appreciate the objection that might be raised by the officers of the department that it would be difficult to apply such a system, but if it could be applied, there is no question as to its fairness. I do not think it is necessary to lay emphasis upon the fact that the income tax increases the cost of living, for all taxes do that. I do not see any reason therefore for distinguishing between this and any other form of taxation from the standpoint of the cost of living.

Mr. McGIBBON: Does the hon. member think that the sales tax contributes very much to the cost of living?

Mr. BROWN: To some extent all taxes must have that effect. Hon. gentlemen talk about taxes being a levy on capital, but all taxes are in some measure a levy on capital. We are taking something out of our pockets when we pay taxes, and therefore we have that much less with which to carry on business.

Considerable stress has been laid on income tax as an inequitable levy. The hon. member for Toronto Northwest (Mr. Church) dwelt upon this point. It seems to me that his argument would have had a great deal more force had he not suggested that the right to impose an income tax should be abandoned by the Dominion and left to the municipalities. If the income tax is unfair when levied by the Dominion, it is certainly just as unfair for the municipalities to impose it.

I would point out one respect in which, as I suggested a year or two ago, there might be some redress in the matter of income tax. I refer particularly to the tax as applied to farmers. Now, the farmer and his wife are one body working together, and their income is considered a joint return for purposes of taxation. In the case of people in some other walk of life, however, although husband and wife may have separate incomes they are allowed two exemptions. I admit that if the farmer's wife derives an income from some source outside the farm it is considered as separate from her husband's, but no matter how hard the two may work together on the farm, their income is treated as a joint income when it comes to paying the income tax. There are many men in other walks of life who enjoy a good income themselves while their wives are also in receipt of a fair competence, and they are entitled to two exemptions. My contention has always been and is now that the income of the wife for purposes of taxation should be considered jointly with that of her husband and be subject to one exemption, and this in every case.

Mr. J. L. CHABOT (Ottawa): I just want to comment briefly upon a question I put to the Minister of Finance (Mr. Robb) when he was discussing the matter of taxation in a general way. The minister has been kind

enough to send me a copy of the public accounts, to enlighten me as to the reduction in expenditures by the government during its tenure of office between the years 1921 and 1925, and I am bound to say that during that time the government has failed to deal satisfactorily with taxation, notwithstanding the wonderful resources of the country, notwithstanding our favourable situation, and notwithstanding the fact that Canada pays less than any other country in the world for self-defence. My figures are also derived from the public accounts. I claim that

5 p.m.

from 1921 to 1925 the government has actually collected in the form of special taxes the sum of $529,601,176 more than the government preceding it did during a similar period. In 1917 the special war taxes amounted to $16,000,000; in 1918, $25,000,000; in 1919, $56,000,000, and in 1920, $82,000,000. Let us compare that with the revenues derived from the same source in the Liberal regime for three years. I have not the figures for 1921, but in 1922 there was collected $177,484,000; in 1923, $181,634,000, and in 1924, $182,000,000 odd. Notwithstanding these enormous collections the government did not reduce taxation by a cent, and I simply want to express the hope now that if hon. gentlemen opposite retain power for any length of time —as I am sure they will not—they will make an honest effort to reduce expenditures and thus reduce taxation.

Mr. HEAPS: Is the hon. member taking into consideration the value of the dollar in the respective periods he has cited? That is an important factor.

Mr. CHABOT: That may make some difference, but it cannot account for the large increase in revenue from 1921 to 1925 over the preceding four years.

Mr. HEAPS: In 1920 the value of the dollar was 41.1.

Mr. CHABOT: The Canadian dollar was never as low as that.

Mr. HEAPS: I am speaking of the purchasing power of the dollar; that is what we have to consider.

Mr. JOHN MILLAR (Qu'Appelle): The hon. member for Muskoka-Ontario (Mr. McGibbon) objected to the income tax on the ground that in some cases it was being passed on. This may be partly true of course, but I can think of no other tax that cannot be passed on while this one can be passed on only to a limited extent. As pointed out by the hon. member for Lisgar (Mr. Brown), the farmer in many cases pays in lean years for that which he has reaped in fat years, and others may be able to show that in some respects the tax militates against them in the same way. Judging by the remarks of some hon. gentlemen, there seems to be an impression that this is a new tax, but I was surprised to read recently that it was proposed over a hundred years ago. The Reverend Henry Beeke, professor of modern history at Oxford from 1801 to 1813, who was frequently called into consultation by Pitt, proposed this form of taxation at that time. He wrote a book entitled Observations on the Produce of the Income Tax, in which he claimed that the tax was based on moral equity and political wisdom. I believe the income tax has come to stay. It has been known for over a hundred years, and it is one form of taxation that is levied on those who are able to pay it. I believe it should be kept in force.

In Canada we have no means of knowing how much income tax the individual pays, but in the United States, until a short time ago at any rate, the figures were published. I believe a change has been made recently, so that the returns are not now made public, but statistics are available to show how much was paid by various individuals in the year 1923. I quote the following:

> These returns have to do with the year 1923 and present many curious features. For instance, Douglas Fairbanks put up $225,000 as his yearly share, while the greatest international banker in the country, J. P. Morgan, paid $98,000. Jack Dempsey's share was $90,000. All of which goes to show that from a financial standpoint it is far better to be a movie king than a financial king, and it is almost as lucrative to be a "pug" in the first flight. President Coolidge paid a modest $6,600, while the Ford family contributed $19,000,000. John D. Rockefeller, Sr., paid $124,000 while John D. Jr., paid $7,425,000.
>
> Andrew W. Mellon, Pittsburgh, Secretary of the Treasury in the Coolidge cabinet, appears to be the richest man in public life in that country, as he paid in 1923 the sum of $1,173,000 in income taxes. William Wrigley, Junior, of Chicago, contributed $865,000 as his share of the income tax in 1923, while his corporation paid $649,000.

We should not forget that money must be raised and the business of the country carried on. Canada was spending hundreds of millions of dollars in the Great war while the United States was selling munitions to the allies and filling her coffers with that money, and that is one reason why at present we as Canadian people must expect to pay a heavier tax than is paid in the United States. We should not object to this; we favoured carrying on the war; we favoured putting in our last dollar if necessary to win the war, and now we have to pay the price. We have not the figures for Canada, but if they were avail-

able they would show that the large sums are paid by the rich. If they are not collected from the rich they must be collected from the poor, which would form a very heavy tax. The sums which I have quoted, spread over the masses of the people of the United States, would add greatly to the cost of living.

In a discussion such as this reference is frequently made to the fact that the producer of grain or cattle—in a word, the farmer of Canada—pays a very small share of the income tax. Objection should not be taken to that, for the reason that he is not paying because he is not making any money. If he were making money he would as readily contribute his share to the upkeep of the country as any other class. He has no objection to paying according to his ability to pay, but owing to the fact that the prices of farm produce dropped very suddenly after the war while the prices of other commodities were reduced very very slightly or not at all, the farmer was the first to suffer. It may be admitted that he made money easily in many cases during the war, and I think I may further admit that when he was making money easily, in a great many cases he was just the same kind of simple person we find in the city; he spent his money just as easily. If those who live in the cities think the farmer spent his money too freely and expanded too much, they are blaming him for the same mistake they themselves made and will perhaps make again. For the last four or five years the income of the farmer has been very small, and in many cases he has had to live on his capital. He is worth less now than he was worth five years ago, yet he is making as little complaint as possible. He is carrying on and keeping his land in a good state of cultivation so that when the opportunity comes to produce a crop and take his stand with other industries and pay his share of taxes, he will be able to do so. I think that is all you could expect.

It may be contended—and I have heard it stated—that the fact of so many farmers not paying income tax is evidence that they are shirking their duty, that they are either putting in no statements or making false statements. I do not for one moment think that that is correct. You will find people in every walk of life with so little honour and so little patriotism as to put in a false statement or bring about an adjustment of business whereby they would be relieved of paying income taxes, but I do not think they are any more numerous among the farmers of the country than among the professional and industrial people. It is simply that the farmer has not the money, and until he reaches the point where he is able to pay, I think it better for even those industries of Canada which are paying the large proportion that they should carry the burden for the present. The producer of grain and cattle will thereby the sooner reach a position to purchase the manufactured goods of these companies.

Objection is sometimes taken to this tax, because there is a little difficulty in making out the income tax statement. I am inclined to think that the benefits accruing to the agricultural class—speaking of that class only, because I believe they are the greatest offenders in not keeping proper books—the advantages they get from that training and from being compelled to keep books will repay for the inconvenience and sometimes the small cost they are put to in securing the services of those competent to make out the statements. As time goes on they will find less difficulty, and many of them now know where they are making and where they are losing money, largely because they have been compelled to keep some records. I believe they will derive considerable benefit from that.

If the income tax can be simplified or reduced in proportion as other forms of taxation are reduced, I would be very glad, but since it is the fairest form of taxation and cannot be passed on, I would be very sorry indeed to see it abolished.

Hon. J. W. EDWARDS (Frontenac-Addington): Mr. Speaker, I have only a few words to say in regard to this matter. I am entirely in accord with the principle involved in the income tax, and I think it would be a very great mistake to abolish that tax as one source of revenue to the country. Adjustments may be necessary in order to make it more equitable and fair, but I would be absolutely opposed to its abolition.

There is no doubt, as the hon. member for Toronto Northwest (Mr. Church) has said, that the burden of taxation on the municipalities is at present extremely heavy. Speaking for the rural districts I can say that today the taxes on farms and farm property in eastern Ontario amount practically to a rent, and are bearing very heavily on the people. We must have a better system of roads than we formerly had, and the costs of education are much higher than they were a few years ago.

Mr. BROWN: Would the hon. gentleman tell us about what the ordinary tax is on a well equipped, hundred acre farm?

Mr. EDWARDS (Frontenac): I think on a good, well equipped farm of one hundred acres the tax would probably be between $250 and

$300. I would not like my hon. friend to take that as definite, because there would be a very great variation, but the tax is heavy and there is no question that in Ontario—and I presume it is much the same in other parts of the country—municipal taxation has increased tremendously in the last eight or ten years. So I think my first statement may be taken as fairly correct, that a great many people in the country districts regard the present taxation on farm property as practically equivalent to a rent.

I have just one or two observations to make with respect to the remarks of the last speaker (Mr. Millar), as well as those of the Minister of Finance (Mr. Robb). I agree with the last speaker that the farmers of this country will be as willing to pay their share of taxation, whether it is income tax or any other tax, as any other class of the community. No other class of our citizens will play the game any fairer than the farmers will. It is true, I believe, that they are not paying very much in income taxation, and the reason they are not doing so is because they have not the income, and the reason they have not the income is to be found largely on the other side of the House in the policy pursued by the present government and backed up by hon. gentlemen to my left. I want to suggest this further thought, that if the government persists in the course which it has indicated a tendency to follow and submits to further dictation from these so-called free traders from the west, I do not think they will get any income tax from farmers in any part of Canada, because they are exposing the farmers of Canada unjustly to the competition of the world, and are not giving them a fair deal and a fair opportunity to make an income on which they might pay some income tax.

The figures presented by the Minister of Finance as to the amount of income tax collected in the last three or four years are very suggestive. I recall that prior to 1921 the Liberal party in this country were very loud in their condemnation of the Conservative government on account of the so-called war taxes, income tax and other taxes.

Mr. EULER: The Union government.

Mr. EDWARDS (Frontenac): Well, the Union government; that will bring my friend nearer to the condemnation. So strongly did the Liberal party feel in regard to this matter that in their platform of 1919 they put in a special clause condemning the government for non-enforcement of the income tax law. The convention on that occasion said:

This convention condemns the government because it has not enforced the income tax law in such a manner as to make it produce the revenue which such a tax should produce if properly collected.

I gathered from the Finance minister's remarks that he is not getting all the money he should from the income tax at the present time. His figures show that in the last three or four years there has been a steady diminution in the amount that has been collected in income tax. That must mean one of two things; either the government must be condemned for non-enforcement of the income tax law, for inefficiency in collecting the tax, or else the lessened revenue from the income tax is an indication of the extent of that prosperity which the government has been talking about as existing in this country and growing greater year by year. One would naturally suppose, if the country was becoming more and more prosperous as the years go by, that the amount derived from income tax would be increasing each year; an increased revenue from that source might be taken as a fair indication of prosperity. But taking the minister's own figures, I say we must conclude one of two things, either that there is gross inefficiency in the enforcement of the income tax law and the collection of the income tax, or else if they are collecting all they should collect, the reduced revenue from that source is an indication of lessened prosperity in this country as compared with a few years ago.

Mr. ROBB: I would like my hon. friend to remember that we have extended the exemptions under the income tax law.

Mr. EDWARDS (Frontenac): I do not think those exemptions would materially affect the figures which the minister gave. While it is true there have been exemptions in regard to the income tax which might contribute to a diminution in the revenue from that source, it is not true of the special war taxes that were imposed away back in 1917, and since. The Conservative and Union governments were very roundly condemned for the amount of money they were collecting from the people in those ways up to 1921, and while promises were made before the election of 1921 that a change of government would mean a material reduction in taxation along those lines, the fact remains, as has been pointed out by the hon. member for Ottawa (Mr. Chabot), that in the next four years the government which had promised relief to the people in reduced taxation from these sources collected something over $500,000,000 more than was collected by the Union and Conservative governments.

Mr. McLEAN (Melfort): In considering the increased taxation following 1921, has the hon. member taken into consideration the large borrowings that were necessary to make up for the lack of taxation in the years previous to 1921?

Mr. EDWARDS (Frontenac): I did not understand from the arguments advanced and applied all over the country that gentlemen of the party to which my hon. friend belongs thought there was any lack of taxation in those years. I thought they were all complaining that the taxation was entirely too heavy.

Mr. McLEAN (Melfort): Perhaps the hon. member did not understand my question. I asked if he took into consideration the immense amount of money raised by way of loans previous to 1921 on which this government had to pay interest raised by way of taxation.

Mr. EDWARDS (Frontenac): I think the governments previous to 1921 paid their way pretty well. I know that previous to 1921 they had to meet, and did meet, obligations amounting to many, many millions of dollars, which their successors in office did not have to meet. There were many things arising out of the war which called for enormous expenditures under the former government, which expenditures this government did not have to meet.

Mr. McLEAN (Melfort): Did you meet those expenditures by taxation or by borrowing?

Mr. EDWARDS (Frontenac): By both.

Mr. EULER: Were they not largely capitalized, loans raised on which interest had to be paid later on?

Mr. EDWARDS (Frontenac): That is very true. They were largely capitalized, but if you compare the expenses for the four years previous to 1921 with those of the four years after 1921, I say that in the former period there were expenses of a special nature which had to be met by the government of 1917-1921 which did not have to be met by their successors in office, and that therefore their successors in office should have been in a position to implement the promises they made previous to the election of 1921 and reduce taxation all along the line, especially along those lines which they so roundly condemned at that time. But as a matter of fact there has not been amelioration in the slightest degree since they came into office.

I think the income tax as such is a legitimate source of revenue, and one to be generally approved. The only question I believe in the minds of members of this House is as to the best method of applying it. I for one am strongly in favour of the income tax if it can be justly arranged. I believe there has been a fair attempt made by all parties in this House to fairly adjust that tax. It is a comparatively new source of revenue so far as this country is concerned, and it is quite possible that it is open to a good deal of improvement. I think, however, there is a general disposition among the people of this country, irrespective of the party to which they belong, to continue the income tax and see that it is properly and fairly adjusted and applied. It is a source of revenue which I think we shall have to continue, and it is only a question of the best way of continuing it.

I presume we must take into consideration one thing in connection with the income tax; we must take into consideration the fact that there is a similar tax in effect across the line. We must, it seems to me, be somewhat influenced by that tax whether we want to be or not. We cannot afford to have in Canada an income tax very much higher than a similar tax in the country to the south. We may have one somewhat higher, but we cannot afford to have it very much higher. We must endeavour to follow their line of taxation to some extent although not to the extent, perhaps, of following it figure for figure.

I think this tax is a source of income which has quite properly been brought into effect and should be continued. I do not think any censure is due the government that introduced this tax in the first place. When it was introduced benefits were given to certain people which were not extended in later applications of the tax. But it was a new principle in this country and perhaps mistakes were made in that respect which would not be committed if in the light of our present knowledge we were now adopting an income tax for the first time. At any rate, the principle of the tax is right, in my estimation, and the tax should be continued as a legitimate and proper source of revenue to the country.

Mr. A. A. HEAPS (North Winnipeg): I have just one or two observations to make on this particular question. Having had a little municipal experience prior to my coming here, I have a good deal of sympathy with the motives which actuate the mover of this resolution (Mr. Church). There is hardly a municipality in this Dominion to-day that is not complaining about the burden of taxation; there is hardly a province that is not

making the same complaint; and I think everybody is advancing the same complaint against the Dominion government. I regret sometimes to see the rather partisan spirit which characterizes discussions of this character, and I have no wish personally to display any of that spirit. I think it makes very little difference whether we have a Conservative government or a Liberal government in office; the question of taxation has got to be met; revenue must be raised to meet the necessary expenditure, and the question arises what is the fairest method to adopt. Personally I know of no fairer method of raising revenue than that based on the ability to pay, and the income tax meets that particular requisite.

Now, I want to deal more particularly with the resolution which has been placed before the House, and especially one particular part of it. The motion wishes "to restore to the municipalities their former exclusive rights and prerogatives to this form of taxation." This is the first time I have ever heard it stated that the collection of income tax was the exclusive prerogative of municipalities. If I understand anything about municipal government in Canada it is a fact that municipalities receive their charters from the provincial government, and that the rights of municipal taxation are distinctly set forth in those charters. That is true of the city of Toronto; it is equally true of the city of Winnipeg in which I am interested. The government of Manitoba has been asked for a number of years to allow the city of Winnipeg to levy a local income tax. Each year the request was made it met with refusal until a couple of years ago, when the provincial government itself imposed an income tax in Manitoba. I say that for all purposes of taxation a local income tax is bound to be a failure. It cannot be a success because it is far too restricted in its area; and if you tax a man who is living in a certain municipality he will probably move over into the next municipality where there is no such tax in force. If I understand the taxation law in effect in the province of Ontario this particular tax is not an income tax, it is an optional form of taxation. For example if a person, say, in the city of Toronto, has a certain amount of property, and is liable on real estate assessment as well as for income tax he pays the tax which happens to be the higher of the two.

An hon. MEMBER: That is not the case.

[Mr. Heaps.]

Mr. HEAPS: I understand the law to be that if this real estate tax is higher than his income tax he would not pay income tax.

Mr. EULER: That is not the law in other municipalities in Ontario.

Mr. HEAPS: Perhaps it is the case in some and not in all. One of the difficulties of creating local forms of income taxation, is that you do not secure uniformity throughout the province. Thus if you give local authorities the right to levy taxation you are going to have a dozen or two different forms of income taxes within the provincial area making it almost impossible to have an equitable application everywhere within those limits.

Now what would happen if this motion were to carry? It would entirely do away with $56,000,000 of revenue. How is the government going to replace this revenue? Where would it get the money to do so? I do not think the government can get along without this very substantial sum of money. Now the Minister of Finance claimed that 58 per cent of the money expended by the federal authorities was uncontrollable, leaving 42 per cent capable of being controlled. If you take away $56,000,000 it means that you remove 33 per cent of the money available for controllable expenditure, making it almost impossible for the government to function properly. Now, let us see what our financial situation is. Compared with the period prior to the war the national debt has more than trebled. In pre-war time, I believe, the interest alone on the national debt amounted to $35,000,000 per annum, but that interest to-day amounts approximately to no less than $135,000,000 annually. If I am correctly informed no part of the capital expenditure which goes to make up the national debt has yet been liquidated—I mean to say that part which arose out of war conditions. Therefore, if you are going to reduce your taxation and allow the national debt to stand where it is, how are you going to solve the problem which exists in connection with it? The national debt is a very serious problem, and it will have to be dealt with by the present government or some future administration. Some way must be found by which to reduce our national debt. Australia is reducing its national debt, so is Great Britain, but Canada is not. Whatever government is entrusted with power this issue will have to be fairly and squarely dealt with. And when I speak of reduction of the national debt I mean some large and substantial reduction. It is in that way that relief from

taxation will come to us. I do not know how this reduction can be brought about. Certainly you are not going to do it if you reduce the income tax in the way suggested by my hon. friend (Mr. Church). In my estimation there will have to be more taxation in some form or other before the national debt can be brought to the figure where it ought to be at the present time.

There is another problem which ought to be dealt with, and that is to define clearly the sphere of activity as between the Dominion and the respective provinces. A little while ago a conference took place at which it was hoped some solution of the problem might be reached. That conference, however, proved abortive, a fact which is much to be regretted.

I agree somewhat with the statement of the mover of the resolution as to the machinery of government in Canada. I believe with my hon. friend, that Canada is over governed at the present time. We have in the provinces what we might call nine states, and we have in the Dominion one super state. I do not know exactly how we are going to reduce the governmental machinery, but in Australia a strong movement is on foot for the abolition of some of the state governments and to hand over the authority now exercised by the parliament of those states to the federal parliament, as well as to grant a larger amount of authority to the municipalities. I think one of the states of Australia has passed a resolution along that line, and it has gone so far in Australia that one of the federal ministers has suggested that a plebiscite be taken to ascertain whether the people are in favour of the abolition of the state governments. I suggested last week at a meeting I addressed in my own city that it might be desirable to reduce the number of provincial legislatures in Canada. That will mean an amendment to the British North America Act. I can understand the difficulties and I can understand some of the feeling of certain hon. members in this House towards a move along that line, but I suggest, as a step in that direction, that there should be one legislature for the three prairie provinces, Manitoba, Saskatchewan and Alberta, where their problems are almost identical. I do not know whether it would be possible at the present time to have one legislature for Quebec and Ontario.

Mr. NICHOLSON: Why?

Mr. HEAPS: I am not going into that question just now. But I think it would be possible to have one legislature for the three provinces down by the Atlantic, Nova Scotia, Prince Edward Island and New Brunswick, and that might be a step in the right direction whereby we might get more centralized government. I think one of the things we are suffering from in Canada at the present time is that we have either too much authority or too little authority. It is always a question of passing the buck, if I may use that term, between the provinces and the Dominion government, and I think it would not be a bad move at all if the British North America Act were so amended as to give the three provinces one legislature, with the consent of the provinces of course, and reduce the number of provincial legislatures from nine to five.

While I have a good deal of sympathy with the motion of the hon. member for Toronto Northwest (Mr. Church), I do not think I can support it, for the reasons I have outlined, because after all I do not recognize that this sphere of taxation is the exclusive preserve of the municipal authorities. I think it ought to be the preserve of the Dominion government, and then it might at some time be advisable for the Dominion government, being the central authority for the collection of the taxes, to remit a certain portion of the money collected for taxes to the provincial authorities, and they might in turn, if they saw fit, hand back some of the money to the municipalities. I think the method in the state of Wisconsin is that the state collects the income tax and remits a portion to the county and also to the municipality.

At the present time in Canada there are as many as two and possibly three collections of income tax. There is too much duplication. If the matter were centralized in one authority, which should be the Dominion government, and the Dominion government were to hand back some of the money collected to the provinces, it would be a far better method of dealing with the resolution than that proposed by the hon. member for Toronto Northwest.

Hon. EDMUND BRISTOL (Toronto East Centre): I do not propose at this time to make a lengthy speech on this important matter of the income tax, but I would like to call the attention of the government to the fact which is well known, namely, that we have been losing during the last four years about 500,000 of our young men and women, born possibly in the provinces of Ontario and Quebec. Two factors operated in taking these people away. First, there was the lack of work in these provinces, occasioned by the tariff policy and the higher wages necessarily paid in the United States, and second, there was the very important fact that the income

tax paid by people in the United States who earn incomes up to $10,000 is very small in comparison with what young men and young women earning from $1,200 upwards in this country have to pay. In other words, Canadians who want to work here as stenographers, or in other small positions, earning from $1,000 to $3,000, pay $30, $40 or $50 as against a payment of $7 in the United States. I really think those members of the community, who are trying to make a living and get ahead in this country and who cannot get as good wages here as in the United States, should receive from any government in power in Canada every possible encouragement along that line.

Mr. G. B. NICHOLSON (East Algoma): Without going into the question at length, I desire to make one or two observations. In relation to the resolution itself, and the remarks of my hon. friend from North Winnipeg (Mr. Heaps) as to whether the tax had been looked upon as a special preserve of municipalities, I think what the hon. member who moved the resolution had in mind was this—and I believe is the fact—that prior to the war no income tax was levied by any except municipal authorities. There had been no federal income tax, with the possible exception of British Columbia, and I am not certain with regard to that. No provincial income tax was levied prior to the war. There is a very good reason for that, and a very definite reason why this form of taxation should be the preserve of the municipalities. Neither municipal bodies nor provincial bodies have the right in Canada to levy indirect taxes. They must secure all their revenues by the method of direct taxation, while the federal authority is the only one that has the right to levy anything in the character of an indirect tax. Prior to the exigencies of the war I think it was generally looked upon as the right of municipalities to levy income tax. I do not know the situation in Manitoba or any of the other provinces, but so far as Ontario is concerned my hon. friend is entirely misinformed when he intimates that it is optional with the taxpayer whether he shall pay his taxes on assessed value or on his income, whichever is the higher. The fact is that if he derives an income from taxed property he pays a tax on that property and does not have to pay a second tax.

Mr. HEAPS: Is it the same in all municipalities?

Mr. NICHOLSON: That is the law in Ontario, and it must be applied in the same way in all the municipalities. You cannot apply it one way in one municipality and differently in another.

Mr. HEAPS: Has the city of Toronto a special charter, or does it come within the municipal law of the province?

Mr. NICHOLSON: It comes within the municipal law. Every municipality comes within the municipal law. I think I am right when I say that. What the hon. member for North Waterloo (Mr. Euler) said with regard to the incidence of taxation touches the base of the whole thing. I think one of two principles should apply. Taxes should be paid in accordance with the service rendered, or in accordance with the ability to pay. The difficulty in relation to the latter tax, however, is that of collecting the tax from those who have the ability to pay. If it were possible to levy a tax and be sure you were at all times getting it from those who had the ability to pay, and if the income tax could be collected from those who have the ability to pay and that class alone, then it would be a perfectly fair and equitable tax, but so far we have not found a method by which that can be done.

In its general incidence there is nothing that has had such a blighting influence on business in this country as the income tax. In the main it is being paid, although we have not the opportunity of finding out who the particular individuals are who pay it. We have an opportunity of finding out the classes who pay it, and in the main it is being paid, as my hon. friend from Muskoka-Ontario (Mr. McGibbon) said, by the salaried class in this country. They are paying very much the larger proportion of the taxes. There are very definite and good reasons for that. For instance, it was shown here clearly by my hon. friend, speaking on this subject before, that the part of Canada where the greatest individual wealth is in proportion to the whole class of people, pays the smallest amount in income tax. The provinces west of the Great Lakes are the provinces where the greatest average wealth prevails, but they pay the least by way of income tax. We need not assume, from that, however, that the people west of the lakes are tax-evaders because it is quite reasonable to assume, from the character of their location, so many people in the prairie provinces being of the farmer class, that they have an average income that is fairly substantial but that does not come within the scope of the income tax law. On the other hand in the other provinces that are more industrial, people are divided into two classes, namely, those who pay income tax and those who do not.

Coming for a moment to the incidence of this tax in relation to business and to one or two observations that have been made, let me refer to what the hon. member for Lisgar (Mr. Brown) said as to a farmer and his wife not being in the same position as a business man and his wife. There is not the slightest difference whatsoever. The wife of the business man is just as much a partner in that business and in spending her life to assist in that business as is the wife of the farmer or of the mechanic. Her position is exactly the same, and she gets no extra exemption unless she has a private income.

A great misapprehension seems to prevail in connection with the fact that taxes are not paid on dividends earned from business. There is the point where the tax injures business perhaps more than anywhere else. If a group of men have their business in an incorporated company, what happens? Ten and one-half per cent of the total income of their business goes in income taxes. If they distribute a sufficient amount of the earnings, if there are any, for them to live on, that amount is also taxed under the surtax and supertaxes which prevail and which in reality are the heavy portions of the tax. Let me give one or two illustrations that have come under my observations—and this has regard to the advisability, if the Minister of Finance can work out such a scheme, of taking a group of years instead of an individual year as the period over which the income tax should be levied. One particular case that came under my observation was of a group of men in business who in two years, 1920 and 1921, the deflation years, lost so much money that they had to go to the bank and borrow over $100,000 in order that they might be able to carry on. They have been paying interest on that money ever since. In 1923, 1924 and 1925 the business has been coming to a point where it is commencing to return a small amount of this money, thus enabling them to pay off what they had previously borrowed, but the income tax collector comes along and collects income tax just the same, with the result that on the money they have borrowed they are paying not only income tax, but interest to the bank. That is one of the most unfair phases of the income tax and one phase of it that more than any other is doing injury to business in this country.

As a general principle, looked at from the theoretical standpoint, the levying of income tax from those who are able to pay it is a fair method of taxation, but as it has been worked out in this country it is not a fair method of taxation: it is doing injury to business, it is placing a burden upon a particular class that cannot get away from it. That is one reason why we are having such great difficulty in getting back to normal conditions. My opinion is that the question of the country's indebtedness should have been taken hold of resolutely and determinedly after the war period was over and after the time had passed when we were getting our men back into civilian life; the war debt should have been consolidated and the special taxes applied to a reduction of that debt instead of carrying on as we have been doing. Notwithstanding what the Minister of Finance has said about reducing expenditures, he knows that may look very well on paper; but when the question comes down to what the national debt is to-day as against what it was in 1920 or 1921, he knows the gross obligations of the people of Canada are much greater to-day than they were in 1920 or 1921. We should consolidate the war debt, earmark the special taxes to take care of it, keep the general expenditure within the general income of the country, and then we shall find some way whereby these taxes may be reduced.

Mr. CHURCH: In view of the promise of the Minister of Finance to take up the matter in the budget, I ask leave to withdraw the motion.

Motion withdrawn.

At six o'clock the House adjourned, without question being put, pursuant to rule.

Thursday, March 18, 1926

The House met at three o'clock.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

IMPORTATIONS OF SPIRITS

Mr. MANION:

1. Was an order in council passed on the 7th of September last, prohibiting the importation of whiskey and gin unless they had been manufactured for at least two years?
2. Was said order in council amended later so as not to apply to gin, and also as not to apply to whiskey ordered previous to October 1, 1925?
3. What other orders in council dealing with this matter have been passed since that date?
4. What were the reasons for the alterations in these orders in council?

Hon. Mr. BOIVIN:

1. Yes.
2. Yes.

3. Order in Council P.C. 1942, dated 10th November, 1925.

4. Alterations recommended on representation that numerous orders were placed for spirits prior to the date of the first Order in Council, September 7, 1925, P.C. 1542, and that some of the spirits so ordered were then in transit to Canada; also that no restrictions should be made in regard to properly rectified gin for the reason that it is not improved by maturity as is the case of gin distilled by the pot still process.

MR. PIERRE POIRIER

Mr. DOUCET:

1. Was Mr. Pierre Poirier dismissed from the position of postmaster of Little Cascapedia, Bonaventure county, Quebec?
2. Was a complaint laid against said Mr. Poirier?
3. Who laid the complaint?
4. Was an investigation held, and when?
5. If so, who held the investigation?
6. What was the finding of the inquiry?
7. Has the department made a new appointment?

Hon. Mr. LAPOINTE:

1. Yes.
2. Yes.
3. The member for the constituency.
4. Yes, 27th January, 1926.
5. J. A. Nadeau, barrister, Quebec.
6. Commissioner Nadeau found postmaster guilty of active political partisanship.
7. Temporary arrangements have been made for the management of the post office. The vacancy is at present being advertised and the eventual permanent appointment will be made by the Civil Service Commission.

QUESTION PASSED AS ORDER FOR RETURN

CANADIAN NATIONAL RAILWAYS—GRAIN SHIPMENTS

Sir HENRY DRAYTON:

1. How many tons of grain and grain products did the Canadian National railways haul in western territory to the head of the lakes during the calendar year 1925?
2. In making this haul, what was the resultant total of tons of this traffic carried one mile?
3. What was the average length of haul of this traffic?
4. What additional total gross revenues would have been earned had this traffic been carried under existing rates on similar traffic in the United States?
5. How many tons of grain and grain products did the Canadian National railways haul in western territory to Vancouver in the year 1925?
6. In making this haul, what was the resultant total of tons of this traffic carried one mile?
7. What was the average length of haul of this traffic?
8. What additional total gross revenues would have been earned had this traffic been carried under existing rates on similar traffic in the United States?
9. What was the total percentage of grain and grain products hauled in western territory to the entire tonnage of that territory in 1925?

[Mr. Boivin.]

10. What percentage of the entire ton-mileage in the western territory in the year 1925, did the carriage of grain and grain products entail?
11. What was the percentage of the total revenue earned in western territory in 1925 by the carriage of grain and grain products?
12. What was the average rate per ton-mile earned by such traffic in said territory and year?

CANADA-WEST INDIES TRADE AGREEMENT

Hon. J. A. ROBB (Minister of Finance) moved that the House go into committee tomorrow to consider the following proposed resolution:—

Resolved, That it is expedient to introduce a measure to approve of the agreement dated the sixth day of July, 1925, between the government of the Dominion of Canada and the governments of certain of His Majesty's colonies in the West Indies, which agreement is termed "Canada-British West Indies-Bermuda-British Guiana-British Honduras Trade Agreement, 1925," and to provide:—

1. That after the said agreement is brought into force, and so long as it remains in force, goods mentioned in the said agreement, the produce or manufacture of any of the colonies parties to the said agreement, which are conveyed without transshipment, except transshipment at a port of any of the said colonies, by ship direct into a sea or river port of Canada, shall be admitted to Canada at the rates of duties provided in the said agreement.

2. That the tariff concessions covered by the said agreement to be extended to goods the produce or manufacture of any of the said colonies shall be so extended with respect to any one or more of the said colonies which may have ratified the said agreement on and after a day to be fixed by proclamation of the Governor in Council, which proclamation shall be published in the Canada Gazette.

3. That subject to the provisions of the Customs Tariff, 1907, the Governor in Council may, by order in council, extend the said advantages to goods the produce or manufacture of any British country.

4. That the operation of all laws inconsistent with the giving to the provisions of the said agreement and of any act that may be founded on this resolution their full effect shall from time to time be suspended to the extent of such inconsistencies.

5. That subject to the ratification of the said agreement by the various colonies which are parties thereto, and to the fulfilment of their undertaking to make the contributions on their behalf as specified therein, the Governor in Council be empowered to make such arrangements as may be necessary to carry out the provisions of the said agreement relating to the establishment of steamship services between Canada and the colonies concerned, and any expenses incurred in carrying out the said agreement shall be defrayed out of moneys provided by parliament for that purpose.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

AGREEMENT TABLED

Mr. ROBB: Mr. Speaker, with the consent of the House, I desire now to lay on the table copies of the Canada-West Indies

trade agreement, both in English and French, so that hon. members may have an opportunity of looking over it before the motion comes up for discussion. Copies are now available in the distribution office.

ADVANCES TO SETTLERS ON CROWN LANDS

Right Hon. W. L. MACKENZIE KING (for the Acting Minister of Immigration and Colonization) moved that the House go into committee to-morrow to consider the following proposed resolution:—

Resolved, That it is expedient to bring in a measure to authorize advances to settlers on crown lands, and to provide:—

1. That for purposes connected with settlement, the minister may make loans to settlers on the basis of improvement of land and farm buildings erected—(a) to a settler who is a Canadian citizen as that term is defined in the Immigration Act, an amount not exceeding $1,000, (b) to a settler other than a Canadian citizen an amount not exceeding $500.

2. That settlement loans under the proposed legislation shall not exceed the sum of $5,000,000 in any fiscal year, and shall be paid out of unappropriated moneys in the consolidated revenue fund.

3. That Settlement Loan committees may be established anywhere in Canada to report upon and recommend to the minister the suitability of a settler, and of any parcel of crown land, and to advise the minister as to the amount of loan to be made and how it should be expended, and such committee shall consist of not less than two nor more than three persons in the employ of the Dominion government or of any provincial government, such persons to be nominated by the minister, one of whom shall be the Dominion lands agent or the provincial crown lands agent, as the case may be, for the district in which the settler is located, and no salary or remuneration additional to that which he otherwise receives shall be paid to members of such committee.

4. That no settlement loan shall be made unless recommended by a Settlement Loan committee, and unless approved by the minister, nor until the applicant has been recommended by a committee as a suitable settler and the land as suitable for settlement for agricultural purposes, and all settlement loans shall be expended under the direction of the minister.

5. That no settlement loan shall be made upon the security of improvements upon any provincial crown land, unless the province by appropriate legislation, has provided that the improvements upon the security of which any such loan is made shall be subject to a first charge for the amount of such loan with interest, and that no patent shall be issued for the said land until such loan with interest is repaid in full.

6. That the payment of principal shall be made in annual instalments extending over a period of not more than ten years from the date the settlement loan is made, the first payment to become due and payable two years from the date of the settlement loan, provided that the settler may at any time repay the whole of the settlement loan with interest to date of payment, and all loans shall bear interest at the rate of five per cent per annum, payable on the respective dates upon which instalments of principal fall due.

7. That when a settlement loan has been made upon the security of improvements upon Dominion crown lands, the patent shall not issue until the loan and all interest charges thereon have been paid in full.

8. That if a provincial government, not having suitable crown lands available, acquires by purchase suitable lands for settlement under the provisions of this legislation, the minister may pay to a provincial government a sum not exceeding one-half of the interest on the purchase price of such lands, reckoned at five per centum per annum, for a period not exceeding two years from the date of settlement.

9. That the Governor in Council may, on the recommendation of the minister, make regulations to carry out these provisions, and the minister shall make an annual report to parliament of all operations under the proposed legislation.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Mr. EDWARDS (Frontenac): Who is the Acting Minister of Immigration?

Mr. MACKENZIE KING: The Hon. Mr Stewart.

Motion agreed to.

SOLDIER SETTLEMENT ACT, 1919, AMENDMENT

Right Hon. W. L. MACKENZIE KING (for the Acting Minister of Immigration and Colonization) moved that the House go into committee to-morrow to consider the following proposed resolution:

Resolved, That it is expedient to amend The Soldier Settlement Act, 1919, and to provide,—

1. That notwithstanding anything in the act, the board shall be empowered upon the application of a settler who has agreed to purchase any land from the board, who has not abandoned his land, whose agreement with the board has not been terminated or rescinded, and who has not repaid his indebtedness to the board, and where there has been a decrease or depreciation in the market value of such land not the result of neglect or mismanagement on the part of the settler, to make provision for the revaluation of the said land.

2. That application for revaluation shall be considered only when made by a settler residing on and himself farming the said land, and shall be submitted to the district superintendent of the Soldier Settlement Board for the district within which the said land is situated.

3. That the application shall be supported by affidavit on forms supplied by the board setting out the original purchase price of the land and the value of improvements effected since the establishment of the settler thereon, and by a written statement of the settler setting forth his belief as to present value of the land and his reasons therefor, and the names and addresses of any persons whom the settler proposes as witnesses to the present value; and the district superintendent shall consider the application and material in support and make report and recommendation thereupon to the board.

4. That if the board and settler agree upon the amount of depreciation in value of the said land such amount shall be credited by the board to the settler's account as on the standard date in 1925 and upon the settler's account being so credited, the balance then owing to the board by the settler for all purposes shall, at the discretion of the board, be consolidated and deemed to be the settler's principal indebtedness, and the total cost of the property may be amortized over the remaining period of the loan.

5. That the minister may appoint district arbitration committees having jurisdiction in such soldier settlement districts as may be necessary, each committee to consist of three members, one of whom shall be an official of the Soldier Settlement Board and one a representative of the Veterans' organization in the district; and the members of the district arbitration committee when appointed shall have all the powers and authority of a commissioner under the Inquiries Act, and expenditures necessarily incurred by any district arbitration committee shall be paid out of moneys appropriated from time to time by parliament to soldier land settlement.

6. That if the board and settler do not agree upon the amount of depreciation in value of the said land the board shall refer the matter at issue to the district arbitration committee for determination, who will thereupon fix a convenient time and place for hearing. Upon the hearing of all evidence submitted the committee shall decide upon the question in dispute, and its decision shall be final.

7. That the district arbitration committee shall forthwith forward a copy of its decision to the board and if it be found there has been a depreciation in the value of the land purchased by the settler from the board, not resulting from neglect or mismanagement on the part of the settler, the amount of such depreciation so found shall be credited by the board as provided by resolution No. 4 in respect of amount arrived at by agreement.

He said: His Excellency, the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of of the House.

Motion agreed to.

OLD AGE PENSIONS

Hon. J. H. KING (Kootenay, Acting Minister of Labour) moved that the House go into committee to-morrow to consider the following proposed resolution:

Resolved, That it is expedient to bring in a measure respecting Old Age Pensions, and to provide,—

1. That the Governor in Council may make an agreement with the Lieutenant-Governor in Council of any province for the payment to such province quarterly of an amount equal to one-half of the net sum paid out during the preceding quarter by such province for pensions pursuant to a provincial statute authorizing and providing for the payment of such pensions to the persons and under the conditions hereinafter specified and regulations made under the proposed legislation.

2. That every agreement so made shall continue in force so long as the provincial statute remains in operation or until after the expiration of ten years from the date upon which notice of an intention to determine the agreement is given by the Governor General to the Lieutenant-Governor of the province with which the same was made.

3. That before any agreement so made comes into operation, the Governor in Council shall approve the scheme for the administration of pensions proposed to be adopted by the province, and no change in such scheme shall be made by the province without the consent of the Governor in Council.

4. That all sums payable to any province in pursuance of any such agreement shall be payable from time to time on the certificate of the Treasury Board out of any moneys belonging to the consolidated revenue fund of Canada not otherwise appropriated, and the Governor in Council may borrow from time to time such sums as may be required for the purpose of making such payments.

5. That provision shall be made for the payment of a pension to every person who, at the date of the proposed commencement of the pension:—

(a) is a British subject, or, being a widow, was such before her marriage;

(b) has attained the age of seventy years;

(c) has resided in Canada for the twenty years immediately preceding the date aforesaid;

(d) has resided in the province in which the application for pension is made for the five years immediately preceding the said date;

(e) is not an Indian as defined by the Indian Act;

(f) has not made any voluntary assignment or transfer of property for the purpose of qualifying for a pension.

6. That the receipt of a pension shall not by itself constitute a disqualification from voting at any provincial or municipal election.

7. That the maximum pension payable shall be two hundred and forty dollars yearly, which shall be subject to reduction by the amount of the income of the pensioner in excess of one hundred and twenty-five dollars a year.

8. That provisions be made as to the credit to the pension authority of the annual value of a pensioner's residence, and the recovery of pension payments out of deceased pensioner's estate, and for the distribution of pension burden among provinces by proportionate reimbursement or proportionate reduction where the pensioner resided in more than one province or transfers his permanent residence to another province, and for ceasing payments where he transfers his residence to some place out of Canada, and the revival of his rights upon again becoming a resident of Canada.

9. That no pension shall be subject to alienation or transfer by the pensioner, or to seizure in satisfaction of any claim against him.

10. That on or before the thirtieth day of April in each year, the Minister of Finance shall make a full report to parliament of the operation of the agreements made pursuant to the proposed act, and of the moneys of Canada paid to the provinces under each of the several agreements entered into pursuant thereto.

11. That the Governor in Council shall have power from time to time, on the recommendation of the Minister of Labour, and with the approval of the Treasury Board, to make regulations, not inconsistent with the provisions of the proposed act, with regard to the pensions herein provided for, and such regulations shall be published in the Canada Gazette, and be laid before parliament.

He said: His Excellency, the Governor General, having been made acquainted with the subject matter of this resolution recommends it to the favourable consideration of the House.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): It is not customary to debate matters upon motion to proceed into committee on a subsequent day, but as these matters are of immense consequence, perhaps the government could at least give this modicum of information. I should like if the government could give us an estimate of what the resolutions on the order paper just read will cost the revenue of Canada. I do not

expect a close estimate at all, but say within a hundred million dollars.

Mr. KING (Kootenay): I will be very glad to furnish the information we have to-morrow when we go into committee, as is customary.

Motion agreed to.

NATURAL RESOURCES

BILL AUTHORIZING TRANSFER OF PUBLIC LANDS TO ALBERTA

Right Hon. W. L. MACKENZIE KING (for the Minister of the Interior) moved that the House go into committee at the next sitting of the House to consider the following proposed resolution:

Resolved,—That it is expedient to bring in a measure to provide that the agreement dated the ninth day of January, 1926, made between the government of the Dominion of Canada and the government of the province of Alberta, respecting the transfer of public lands in the province of Alberta, be approved, the following provisions to form part thereof:—

(a) That the school lands fund to be transferred to the province as in the said agreement provided, and such of the school lands specified in section thirty-nine of The Dominion Lands Act, chapter 20 of the statutes of 1908, and amending statutes, as pass to the administration of the province under the terms of the said agreement, shall be set aside and shall continue to be administered by the province in accordance, "mutatis mutandis," with the provisions of sections thirty-nine to forty-two of The Dominion Lands Act, for the support of schools organized and carried on therein in accordance with the provisions of section seventeen of "The Alberta Act," chapter three of the statutes of 1905, and

(b) that any interest in any lands included in the parks or forest reserves in the said agreement referred to, may, with the consent of the province, be disposed of by Canada for any purpose other than the purposes specified in the said agreement, and

(c) that nothing in the said agreement or in any subsequent agreements or statutes such as are therein provided for, shall in any way affect the rights or properties of the Hudson's Bay Company as contained in the conditions under which that company surrendered Rupert's Land to the crown.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

DATE OF THE BUDGET

On the Orders of the Day:

Sir HENRY DRAYTON: I wonder if my hon. friend the Minister of Finance could tell us when he is contemplating bringing down the budget. Perhaps it will be next week.

Hon. J. A. ROBB (Minister of Finance): Not until after Easter.

CANTEEN FUNDS DISTRIBUTION

On the Orders of the Day:

Hon. ERNEST LAPOINTE (Minister of Justice): Some time ago the hon. member for Toronto Northwest (Mr. Church) made inquiry about the distribution of the canteen funds as follows:

I should like to ask the government what has been done in regard to the distribution among the soldiers of the canteen fund amounting to $2,000,000. It is nearly a year now since parliament passed an act in respect to this matter, and voted the sum of $800,000 to the province of Ontario as its share. As yet, however, no commission has been appointed for that province and apparently none will be for some time, although there are many men in need of relief owing to unemployment and distress. Will the government later on in the week state the cause of the delay, and inform the House as to the nature of the existing situation?

My hon. friend reminded me to-day that no answer has been given as yet and I am sorry for it, because I was given a statement by the minister reading as follows:

1. In pursuance of the Canteen Funds Act all provincial governments were invited on October 16 last, to make appointments of provincial boards of trustees for the purpose of receiving and administering the share payable to such provinces.

2. The following provinces have made appointments and the moneys have been duly paid over—British Columbia, Saskatchewan, Manitoba, New Brunswick, Nova Scotia.

3. The Ontario government has not yet made any appointments but as soon as notification has been received that appointments have been made the share payable to the province of Ontario will be remitted.

Mr. HANSON: Would the minister state the names of the appointees in the various provinces? I am only interested of course in New Brunswick.

Mr. LAPOINTE: I will get the information for my hon. friend.

SALE OF AUSTRALIAN BUTTER

On the Orders of the Day:

Mr. J. E. ARMSTRONG (East Lambton): I desire to ask the Minister of Agriculture a question. I have received a communication in regard to this matter which reads as follows:

I understand that Australian and New Zealand butter is being sold in Canada in such a way that the consumer thinks he is getting the Canadian made product. I am informed that one of the government inspectors in western Ontario said that butter from Australia and New Zealand is being sold in London and St. Thomas in the same wrappers that the dealers formerly used in wrapping Canadian butter, the only difference being that the registration number is not printed on the wrapper of the imported article. Thus suppose the creameries were wrapping butter under a wrapper with "Rose Brand" on it the creamery has now to place their own registration number on it, namely, 860. But if we wrapped Australian butter we could use the same wrapper except that we would eliminate the registration number 860.

I desire to ask the government if they have issued instructions to their inspectors to tell vendors of Australian butter that they may use the same wrappers as heretofore, but that they must ship in plain boxes and not use the creamery registration number either on the boxes or on the wrappers.

Hon. W. R. MOTHERWELL (Minister of Agriculture): That is rather an involved question to answer offhand with respect to Australian butter, and if my hon. friend will place it on the order paper I shall be pleased to explain the matter fully.

PRIVILEGE—MR. WOODSWORTH

On the Orders of the Day:

Mr. J. S. WOODSWORTH (Winnipeg North Centre): I rise to a question of privilege. My attention has been called to misleading reports of an incident that occurred on the night the House adjourned. The story was first published, I believe, by the Toronto Mail and Empire, and has since been added to and embellished by other papers. A typical account is given by the Daily Intelligencer of Belleville of March 6, where I note under the motto "Let there be harmony in things essential—liberty in things not essential—charity in all," there is an editorial dealing with "Ottawa's unholy trio." Attention is called to—

> The most remarkable and illuminating spectacle of three anti-British members of the Commons, Messrs. Woodsworth and Heaps of Winnipeg, and Bourassa of Montreal, remaining sullenly seated while the national anthem was sung in the House.

Later on the article goes on to say:

> It was South Hastings' member who started the loyal anthem and prayer for His Majesty as the House was recessing. W. Ernest Tummon, M.P., as all Canada knows by this time, is a singer. ..... As the critical moment approached—

I do not know what critical moment is referred to.

> —some one said: "Come on, Ernie (they call him that) start 'The King'".
>
> He did. It was a notable event. Many said they never remembered the national anthem being sung in the House before. Everyone at once got to his feet, even the galleries joining, in this tribute of respect to His Majesty, except the unholy trio.

Hon. members will recall that in connection with the divisions, there was considerable confusion, various groups singing rival songs such as "Alouette", "There's a long, long trail awinding" and so on. Not being a singer, I did not participate in this, but I was in conversation with my neighbour the hon. member for Labelle (Mr. Bourassa). I remember that I became conscious that the tune was "God Save the King" but I paid no attention. For me it was part of the exuberant but rather undignified performance. I think I was not far wrong as I have since been informed that after "God Save the King" was sung a group of members on this side of the House started "O Canada", during the singing of which many members on the other side left the chamber. Personally I attach no significance to this. There was general confusion; the House was dispersing. I may say however that the report was quite inaccurate for my colleague from North Winnipeg (Mr. Heaps) was standing while the national anthem was being sung.

An hon. MEMBER: He was not.

Mr. WOODSWORTH: The hon. member for Labelle informed me the other day that he was absolutely unaware that the national anthem was being sung. No one who knows the animation with which the hon. member for Labelle enters into conversation will say, in the words of this editorial, that he was "sullenly seated". It would seem that prejudice had distorted the vision of some reporter. I should like to state that whether I participate in any ceremony or not I try to show reasonable respect for those who do. May I add, there are various ways of showing patriotism? At any irrelevant moment when someone calls "Come on, Ernie", I do not propose to click heels and come to a salute, or to do any other form of goose-stepping.

Mr. KENNEDY (Winnipeg): Is it permissable to ask the hon. member a question?

Mr. WOODSWORTH: I think I have made my statement.

Mr. KENNEDY (Winnipeg): Will the hon. member state to the House—?

Mr. SPEAKER: Order.

CANADIAN NATIONAL RAILWAYS—DETROIT FRANCHISE

On the Orders of the Day:

Mr. T. L. CHURCH (Toronto Northwest): I wish to object to the motion for the production of papers in reference to the surrender of certain valuable Canadian National railway franchises on the right of way of the Canadian National Railways and the Detroit G.H. & M. Railway being transferred from motions for the production of papers to notices of motion. This means that this cannot be discussed this session.

I should like to call the attention of the Acting minister of Railways and Canals (Mr. Robb) to the following despatch:

> Michigan legislature will approve Thornton "Sell out"
>
> Lansing, Mich., Feb. 3.—Formal approval of an agreement reached between Gov. Groesbeck and officials

of the Canadian National Railways regarding moving certain tracks of the company to make room for the "wider Woodward avenue" link connecting Detroit and Pontiac. Michigan will be asked at a special session of the Michigan legislature which will convene February 16. Certain changes in the method of highway financing will also be considered. Formal call for the session was issued to-day by the governor.

Will this agreement be laid in full before this parliament for its approval and consent as is being done by the party of the first part, the state of Michigan, in asking the state's approval in the session of the legislature which has been specially called? If not, why not, and will parliament be asked to consent before this agreement is passed as Canada is the party of the second part?

Hon. J. A. ROBB (Acting Minister of Railways and Canals): The question asked by my hon. friend involves some legal technicalities. I shall refer it to the management of the National Railways and give my hon. friend an answer as early as possible.

ACOUSTICS OF CHAMBER

On the Orders of the Day:

Mr. ROBERT FORKE (Brandon): I wish at this particular time to make a vigorous protest against the way in which business is being done while questions are being asked on the orders of the day. The whole thing to us in this part of the chamber is a dumb show. We know nothing about what is going on; with the exception of the speech delivered by the hon. member for Winnipeg North Centre (Mr. Woodsworth), I do not know anything that has been transacted in this House since prayers have been read.

Some hon. MEMBERS: Louder.

Mr. FORKE: It is all very well for hon. gentlemen in the front benches who seem to think they are conducting the business of this country and that none of us has any say in the matter. I think I made this request very courteously before. There may be a lack of attention on the part of those who are taking part in the proceedings; but one reason why so little attention is being paid and there is so much murmuring and talking is that when members are unable to follow what is taking place, naturally they lose interest and murmuring and talking begins. I make this request quite courteously that hon. members will try to speak just a little louder in asking and answering questions. The government members on the front benches are just as guilty as any other hon. members. I hope hon. members will take this request in the spirit in which it is made. I notice in the Journal to-day that even members of the press gallery who are supposed to have hearing capacities far beyond those of the ordinary mortal are unable to hear what is going on in the House.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I have observed lately some very severe and not very thoughtful criticism of the same character as that advanced by the leader of the Progressive party just now. I think all should remember that this House is far beyond the ordinary dimensions of a speaking chamber, and to raise one's voice continually to a high pitch is not a very pleasant process, and not one that a person is likely to indulge in. We all suffer just the same as the hon. member for Brandon and hon. members further down. In fact on Tuesday last when I asked for an explanation of a bill from a front bencher of my hon. friend's party, I was unable to hear his reply.

Mr. W. F. MACLEAN (South York): The whole trouble is this wide space in the centre of the chamber. I trust that plans will be made for the reconstruction of this chamber on the principle of an amphitheatre for debate rather than a Gothic cathedral.

SUPPLY

DEPARTMENT OF CUSTOMS AND EXCISE

The House in committee of supply, Mr. Duff in the chair.

To provide for expenses of maintenance of revenue cruisers and for preventive service, $376,510.

Hon. GEORGE H. BOIVIN (Minister of Customs and Excise): Mr. Speaker, this item which is subsection 4 of vote 349, was under discussion and had been debated at considerable length the other evening, when hon. members on the other side of the House very kindly consented to allow a change of departments, and passed an estimate of the Department of Public Works. I hope that very little further debate will be required. In the course of that debate several very legitimate requests for information were made by hon. members on the other side and this I promised to give as soon as possible. If you, Mr. Chairman, will allow me to refer to the items passed without re-opening them, I will be glad to do so now. The hon. member for Lincoln (Mr. Chaplin) made an inquiry concerning the bridge at Niagara Falls, and referred to a letter which he had forwarded to the deputy minister.

Mr. CHAPLIN (Lincoln): The bridge at Queenston, not at Niagara Falls.

Mr. BOIVIN: Yes, that is the bridge. That matter has been investigated and I am sending to my hon. friend the report of the

investigator. It will be seen that the facts as submitted by the hon. member are absolutely correct, with the exception that the four cars in question were headed from Canada to the United States, instead of from the United States to Canada. That is not an excuse, and I am not urging it as such. There should be an export entry for any goods exported from the United States; those cars should have reported at the customs, and there was only one man in charge at the time. I am glad to say that the deputy minister yesterday forwarded to the collector of customs and excise at Niagara Falls, Ontario, the following telegram.

You are instructed to assign two officers to night duty at Queenston bridge on and after the 18th instant.

The hon. member for East Essex (Mr. Morand) made an inquiry concerning the appointment of an officer at Tilbury, Ontario, and in reply to his question I informed him that Mr. W. A. Hutton and terminated his services there on December 2, 1925 and that I was under the impression that a relieving officer was in charge of that port. Upon investigation at the department I find that Mr. M. W. Richards was appointed by the Civil Service Commission and took charge of that port on January 5, 1926. I will send over to the hon. member a copy of the advertisement for the position and a copy of all the correspondence exchanged between the Civil Service Commission and the department in connection with the appointment.

The hon. member for West York (Sir Henry Drayton) asked to be supplied with a list showing the retirements under the Civil Service Superannuation Act of 1924, in the Department of Customs and Excise. I have had the list prepared, and am handing it to my hon. friend. It includes both the inside and the outside service.

Sir HENRY DRAYTON: The question was as to any retirements at all; I did not specify those under any particular act.

Mr. BOIVIN: This includes everything. Then there was an inquiry made by the hon. member for South Essex (Mr. Gott) concerning the appointment of an officer at Kingsville. I have here and will send to the hon. member a copy of the correspondence in connection with the appointment at that place. The hon. member for Fort William (Mr. Manion) urged the granting the privilege to a bus line operating between Fort William and Duluth to take passengers for local points in Canada. The matter has been very thoroughly investigated. There is no provision in the Customs Act or in any of the regulations thereunder whereby it would be possible for the department to permit a foreign bus upon which duty has not been paid to engage in local traffic in Canada. In other words, unless there is a payment of duty upon the vehicle it is impossible for the department to allow that vehicle to be used in Canada for commercial purposes.

The hon. member for South Wellington (Mr. Guthrie) inquired concerning the appointment of some new officers at Bridgeburg. I promised to supply him with a copy of the report made by Inspector Busby, concerning the necessity for the appointment of these officers, and that report is ready.

Mr. GUTHRIE: I was quite satisfied with the minister's statement, but I will be glad to see the report.

Mr. BOIVIN: The hon. member for South Toronto (Mr. Geary) made a request concerning the net customs and excise revenue as shown in the Auditor General's report for the year 1924-1925. A statement has been prepared but we have not yet secured completed particulars concerning the refund of salaries paid out of the different items in the vote under consideration. I will have that information mailed to the hon. member at a later date. I am sending over to him now a complete statement of the customs and excise revenue for 1924-25, showing how the net revenue is arrived at and the difference between the gross and the net revenue.

Mr. GEARY: Does that give me information as to what account that is to be found in in the Auditor General's report?

Mr. BOIVIN: That is indicated in the statement. The only other request was from the hon. member for West York (Sir Henry Drayton), concerning the ports, outports and preventive stations on the Great Lakes that should be patrolled so far as exports are concerned. It is very hard to differentiate between those that should be patrolled and those where no patrol is required but I have prepared a complete list of the ports and outports and now send it over to my hon. friend.

Sir HENRY DRAYTON: Does that include the peripatetic ports of export?—if I may so use the word.

Mr. BOIVIN: I will take the risk of saying, yes.

Sir HENRY DRAYTON: Can my hon. friend give me a list of the peripatetic ports of export?

Mr. BOIVIN: That is just exactly what I have stated I was unable to do. I may tell my hon. friend that all those ports—I do not

dare repeat the word for fear of mispronouncing it—are included in the list.

Mr. SUTHERLAND (South Oxford): Mr. Chairman, this new method of supplying information may be quite satisfactory to the members who asked the questions dealt with; I hardly think it will be equally satisfactory to those who heard the questions asked but still have no information as to what is contained in the statements.

Mr. BOIVIN: Most of the information was given the other day. Only copies of the reports and correspondence were required. Some are too lengthy to be placed upon Hansard, but if the hon. member for South Oxford would like to have information about any of these reports or letters, I shall be very glad to have the documents returned to me and I shall then read them so that they may be printed in Hansard.

Sir HENRY DRAYTON: Mr. Chairman, to save the minister the trouble of reading this list, I would suggest that it be handed to Hansard with the consent of the committee.

Mr. BOIVIN: I hope the Chairman will consent.

The statement is as follows:

LIST OF OFFICES AND SUB-OFFICES IN ONTARIO FROM WHICH VESSELS ARRIVE AND DEPART

Ports	Outports	Preventive Stations
Amherstburg	Kingsville	
	Leamington	
	West Dock	North Dock
		Point Pelee
Belleville		
Bridgeburg		
Brockville		
Chatham	Erieau	
	Tilbury	
Cobourg		
Collingwood	Meaford	
Cornwall	Aultsville	
Deseronto		
Fort Frances	Rainy River	
Fort William		
Gananoque	Rockport	Ivy Lea
Goderich	Kincardine	
	Southampton	
Hamilton	Dunnville	
	Port Maitland	
Kenora		
Kingston	Wolfe Island	Point Alexandria
		Portsmouth
Midland	Penetanguishene	
Morrisburg	Iroquois	
Napanee	Bath	
Niagara Falls (nil)	Chippawa	
	Niagara	
	Queenston	
North Bay (nil)	Moose Factory	
Ottawa	Smith's Falls	
Owen Sound	Wiarton	
Parry Sound	Byng Inlet	
	Depot Harbour	
	Key Harbour	
Picton		
Port Arthur		
Port Hope		
Port McNicoll		
Prescott	Cardinal	Maitland

LIST OF OFFICES AND SUB-OFFICES IN ONTARIO FROM WHICH VESSELS ARRIVE AND DEPART—*Concluded*

Ports	Outports	Preventive Stations
Sarnia	Courtright	
	Point Edward	Stag Island
Sault Ste. Marie	Blind River	
	Bruce Mines	
	Cockburn Island	Burnt Island.
	Cutler	Killarney
	Gore Bay	Manitowing
	Little Current	Hiltonbeach
	Michipicoten Harb.	Providence Bay
	Thessalon	Richard's Landing
		Meldrum Bay
		Spanish Mills
Simcoe (nil)	Port Dover	
St. Catharines (nil)	Port Dalhousie	
	Thorold	
St. Thomas (nil)	Port Stanley	
Tillsonburg (nil)	Port Burwell	
Toronto	Port Credit	
Trenton		
Wallaceburg		
Welland	Port Colborne	
Whitby		
Windsor	Belle River	
	Sandwich	
	Walkerville	

Mr. BOIVIN: After this laudable effort to make progress, I suppose this item will now be allowed to pass.

The CHAIRMAN: Carried.

Mr. ARMSTRONG (Lambton): Copies of several of the letters I notice are marked "confidential." Is that quite in order? Would the minister want them to be quoted in any way?

Mr. BOIVIN: All reports passing between the Civil Service Commission and the department are marked and considered as confidential; but I can see no objection to these being used.

Mr. ARMSTRONG (Lambton): Or comments made upon them?

Mr. BOIVIN: I know of no reason why they should not be used and commented upon. The word "confidential" merely appears on the copies because they happen to be exact copies of the originals, but it was not placed there for the purpose of preventing my hon. friend from using them in any way he sees fit.

Mr. McGIBBON: Before the minister leaves that subject, I should like to bring to his attention the inconvenience that Canadian citizens often have to suffer when returning from a visit to the United States. I would call his attention particularly to the action of his officials at Bridgeburg. In the last year or two I have had to bring to the notice of the department a number of occasions when Canadian citizens have been detained in a

4 p.m.

rather high-handed and ruthless manner by the officials and put to a great deal of inconvenience. Perhaps he will inform the committee what instructions his officials have in that regard?

Mr. BOIVIN: I can assure my hon. friend that the officers of the Department of Customs have always been instructed by the officers of the department here to treat not only home-coming Canadians but persons from all countries entering Canada with the utmost possible courtesy. It is quite possible —I am not disputing what my hon. friend says—that there has been a lack of courtesy and perhaps actual rudeness on the part of some of our officers. Two cases of that nature, and only two, have been reported to me since I took charge of the department. An investigation was made, a disciplinary warning was given to the officers concerned and the inspector communicated with the persons who had complained of discourtesy and made the required apologies. If my hon. friend can give me the name of any officer who has failed in his duty in this respect, I shall be only too glad to investigate. It is possible, however, that the blame is not entirely on the officers of my department. In one or two other cases reported, officers of the Immigration department had lacked tact and courtesy. If my hon. friend will either himself or through any of his friends give me specific cases, I promise that they shall receive prompt and thorough investigation.

Mr. McGIBBON: Mr. Chairman, I simply bring this matter to the attention of the minister because on a number of occasions I have had to bring to the attention of the department complaints by home-coming Canadians, who, although they carried letters of identification in order to avoid that very trouble, were detained, some of them for hours, some of them for days, and treated in a rather rude manner. The minister will find those letters in the department.

Mr. BOIVIN: If their right to enter Canada was questioned in spite of the letters of identification which they carried, they were undoubtedly detained by the officers of the Department of Immigration. We have no control whatever over those officers, but I will bring the matter to the attention of the Acting Minister of Immigration and Colonization (Mr. Stewart). There is no more excuse for the immigration officers than there would be for customs officers to be discourteous to home-coming Canadians.

Mr. MORAND: Mr. Chairman, as I notice the Minister of Customs is very anxious to save money, I wonder if he has ever thought of the feasibility of combining the immigration and customs officials at the port of Windsor? We have there two different sets of officers, under two different departments, doing work that could easily be done by the same men. I do not want to see these men put out of employment, but it seems to me that in course of time, instead of appointing new men under two different departments, the work could be combined and done quite effectively by one set of men. That would also save a lot of trouble to the people passing backwards and forwards between Detroit and Windsor, many thousands of whom are crossing every day. I was just wondering whether this had ever been thought of, because it does seem to me that is one place where something could be saved.

There is another thing that strikes me particularly with regard to that port, where we have a very large customs entry. I am told, and I believe I am credibly informed, that when an officer at that particular port requires even a whisk, it is necessary for him to send in a requisition to the department at Ottawa, and wait perhaps two or three weeks for authorization to buy a small article of that kind. I think a small amount of petty cash should be kept on hand at the local office for this purpose, to save the time of the officers filling in requisitions for small articles of this kind.

Mr. BOIVIN: Answering the last question first, I might tell my hon. friend that the custom which he complains of is one that has existed almost from time immemorial in connection with all customs ports. It has always been necessary for the officers requiring supplies to send in their requisitions to the department at Ottawa, and either have the supplies forwarded to them from Ottawa or obtain authorization to purchase. The suggestion made by my hon. friend is well worthy of consideration, and it will be considered not as regards supplies of value or importance, but for the petty articles such as whisks, hammers, brooms, and other supplies, that may be required. I think a small cash allowance could be given to the local officers for this purpose.

We have often seriously considered the combination of the services of customs and immigration but it has been found practically impossible to do this at the larger ports. The duties of the two sets of officers are entirely different. Their responsibilities are entirely different, and their training requires to

be entirely different. It is true that the practice has been adopted and this economy effected at very small frontier ports where very few people cross the boundary, and where there is only a small quantity of goods to be examined. There are some small ports where part of the officer's salary is paid by one department and part by the other. The officer reports to both departments. It has been found impossible so far, in connection with the larger ports, to combine the officers doing the two different kinds of work in the same department.

Mr. HANSON: I thought it was the well established view of the department that that should be done as far as possible. I remember a case in the province of New Brunswick not very long ago where an official of the Immigration department was let out on the ground that his services could be performed by an officer of the Customs department. I have in mind the port of McAdam, which is quite an important port of entry on the frontier between New Brunswick and Maine, where there are two sets of officers, and where I fancy the work of the immigration officers occupies only a little time morning and evening when the trains are coming across the frontier. I do not see any reason why in the course of time these two positions should not be more or less amalgamated and the same officers perform both services. The customs work at that point is no doubt more important than the work of the immigration officers, but a very considerable saving could be effected there, and I hope the minister will take that into consideration.

Mr. BOIVIN: The matter will receive further consideration when the session is over; of course, it will be impossible to consider it at the present time. The information my hon. friend has just given to the House is absolutely correct. The officer in question was removed and his duties were assigned to the officer representing the Department of Customs at that port. This action confirms to a certain extent the statement I made a moment ago regarding the smaller ports where one officer was charged with doing both customs and immigration work.

Mr. HANSON: I would like to ask a question which perhaps does not come under this particular item; but I am sorry I was not here when the estimates were before the House a day or so ago, with reference to the preventive service in the bay of Fundy. What boats are employed there, how large are they, and is it the intention of the government to augment this service. The reason I ask is that one day in the month of October last I had the duty to perform of going to the island of Grand Manan to assist in the happy return of my hon. friend the member for Charlotte (Mr. Grimmer), and on our way out, I was in the pilot house of the steamboat, and the captain pointed out to me three boats in the distance which he said, and I have no doubt he was correct, were rum runners which had been located there for several weeks, plying their illicit traffic with the people on shore without let or hindrance by any officer of this government. I had it in mind at the time to communicate with the department, but under the stress of the election I did not do so. I would point out to the minister that practically during the whole of the summer and autumn season of 1925 bootleggers were in the bay of Fundy plying their illicit traffic, delivering their goods, taking the money of the people, and so far as those from whom I inquired knew, there had not been a single vessel or boat of the customs preventive service in the bay of Fundy waters during that whole period. These people were not in any way interferred with, and they were in those waters till the autumn gales came on. Now that is something that should not continue. Possibly this statement of facts, or what have been detailed to me as facts, will enable the department to give some consideration and attention to that sheet of water next year, for certainly something ought to be done there. I happen to know, not from personal knowledge, but from information that has reached me, that there is a considerable volume of illicit liquor smuggling on the bay of Fundy coast, and no doubt the revenues of this country have in that way been deprived of very large sums of money. Some of this liquor is destined for conveyance to the neighbouring state of Maine, some of it is for local consumption, but I imagine that the most of it is for export, because we are rather a sober people down in that part of the country. I hope the minister will give this matter his attention, and that in the spring season now opening this situation will be looked into and this evil remedied.

Mr. BOIVIN: When these estimates were last before the committee, I myself stated that we were not satisfied with the preventive service that we now have on the coasts of the three Maritime provinces. The nearest boat we have to the bay of Fundy is one mentioned in the list which I gave to the hon. member for West York on page 1634 of Hansard. Patrol Boat G, with headquarters at Yarmouth, Nova Scotia. It is impossible for that boat to carry on a patrol service in the bay of Fundy as it should be carried on but I promise the hon. gentleman that the

service will be improved during the present season. I would go further and tell him that if he has any information which might lead to the conviction of the men involved, in addition to the information he has just given to the House, I should be glad to receive it confidentially. If that information can bring about a prosecution it is not yet too late to institute proceedings.

Mr. FOSTER: What special instructions are given to the customs officers at the various ports on the Atlantic coast of the Maritimes in regard to smuggling operations? Are there any special instructions beyond those contained in the general clauses of the Customs Act?

Mr. BOIVIN: The preventive officers—in fact all the officers of the department having power to make seizures—are given instructions in advance to seize and detain goods they may catch persons in the act of smuggling, goods which may have been smuggled into Canada. In addition to the general instructions concerning the seizure of goods which must be reported to Ottawa, special instructions were issued by the department on July 3, 1925, after the Customs Act was amended last session. The memorandum reads as follows:

There is printed herewith copy of an act to amend the Customs Act assented to by parliament on the 27th of June, 1925. This act provides for the repeal of sections 206 and 219 of the Customs Act, and the substitution therefor of new sections bearing the same numbers wherein provision is made for imposing heavier fines and imprisonment for the offences of smuggling and of keeping or selling goods unlawfully imported, with further provision making it an indictable offence to smuggle goods or keep or sell unlawfully imported goods of the value of $200 or over. In respect of the latter offences you are instructed that in all cases where you are satisfied the goods were smuggled for personal use and not for business use and it is a first offence, not to commence any proceedings by way of indictment without first communicating the fact to the department and awaiting instructions. In all other cases proceedings are to be taken forthwith.

That means that the deputy minister with the authorization of the then acting minister, sent instructions to all collectors in the country that whenever smuggling, or keeping smuggled goods of a value of more than $200 for commercial purposes came to their attention they were to prosecute before the courts at once without communicating with headquarters at Ottawa.

Mr. FOSTER: Let me put this case to the minister. Suppose a customs official is advised that a ship is in the harbour with liquor on board which is intended to be landed, and in view of that information he went elsewhere looking for liquor to be landed at another cove some miles away where there was no liquor and none expected to be landed. It was not certain that the landing was to be made at the latter spot; on the contrary the officer knew it was not expected there. If such facts as these were brought to the attention of the minister would he consider the advisability of dismissing the officer for acting in such a manner?

Mr. BOIVIN: If the name of the officer and the circumstances are given to me the matter will be investigated at once. Should the facts prove to be as stated by my hon. friend, I have no hesitation in saying that the officer will be dismissed at once.

Mr. MARCIL: Reference was made by the hon. member for York-Sunbury (Mr. Hanson) to smuggling operations from the island of St. Pierre and Miquelon that are going on. I shall not startle the minister or any member in this House by saying that smuggling from these islands has been carried on ever since the islands became the property of France. They constitute the paradise of the smuggler at all times. Those smuggling operations have always been going on and will continue, I suppose, for some time to come And here let me say that the liquor which comes from those islands is not of the worst character. It comes from France and has an established reputation. I understood the minister to say that further efforts would be made to strengthen the preventive service in the Maritime provinces. I wish that when doing that he would give his attention to the Quebec side of the gulf of St. Lawrence where we have a peculiar state of affairs in the county of Bonaventure, and especially in the county of Gaspe. I am sorry His Honour the Speaker is not here at this moment because he would support what I am saying. The dividing line between the counties of Bonaventure and Gaspe is Pointe Macquereau supposed to be at the end of the baie des Chaleurs. Beyond that the gulf of St. Lawrence begins. Ten miles from Pointe Macquereau opposite Newport, in the county of Gaspe vessels from St. Pierre and Miquelon come and station themselves—three miles from the shore and ten miles from the dividing line referred to—and carry on their business. Fishing boats go out at night, or whenever the opportunity is afforded to them, bring in liquor and land it as best they can. I suppose it would take an army of preventive officers to prevent smuggling there entirely, but I want to ask the minister why the gulf of St. Lawrence, being surrounded by Canadian territory, is not made a mare clausum?

How does it come that an inland water like the gulf of St. Lawrence, only three miles from the Gaspe coast, with Canadian territory all around it, is considered international waters so that outside boats can go there and carry on such a business? I think the minister will be well advised to look into the matter and see if the gulf of St. Lawrence cannot be declared a mare clausum with all that the term implies, and thus put an end to the smuggling operations which are so demoralizing to the population particularly in the county of Gaspe. The parish priests, who are well acquainted with the facts, complain of the opportunity afforded to poor people to go out to these boats and barter for whiskey, with the most unhappy results. I understand that the cruiser Margaret is available for patrol duty but is powerless to act because of the rule which has been laid down respecting the three-mile limit. I hope the minister will look into the matter and see if an end cannot be put to the existing situation to the consequent great advantage of the inhabitants in that part of Quebec.

Mr. BOIVIN: My hon. friend will remember that very shortly after the general election he brought this matter to my attention. The officials of the department are not experts on international law and it was impossible for us to determine whether or not the gulf of St. Lawrence could be considered closed waters. The opinion expressed by the legal officers in our department was that the gulf should be considered part of the Atlantic ocean and that the three-mile limit should apply within its waters. The question, however, has not been definitely decided and an opinion has been asked for from the Department of Justice. That opinion has not yet reached us, but we do hope even if it should be contrary to the wishes of my hon. friend to find some other means of coping with the situation that he complains of. He says that the same state of affairs exists in Gaspe. That matter was brought to the attention of the department by His Honour the Speaker and upon his request a special detachment of members of the Royal Canadian Mounted Police, three in number, I think, were sent to the coast of Gaspe in July in order to correct as far as possible the abuses complained of by the hon. member for Bonaventure (Mr. Marcil).

Mr. McGIBBON: In view of the fact that the minister has admitted that the preventive service is bad—I think he admitted the other day that they had ten or twelve cruisers on the Atlantic and had only made some forty seizures all summer—and in view of the fact that public opinion in Canada to-day is very much concentrated on his department, I should like to ask him what policy he intends to adopt to increase the efficiency of that service during the coming year. As a new minister no doubt he has given considerable thought to the subject and has ideas of his own, which I think the House and the country would be much interested in knowing.

Mr. BOIVIN: I hesitate somewhat about putting my views—some of the ideas are my own and some are ideas received from the leading officials of the department—before the House at the present time. I intended to place my opinions before the committee now investigating administration of the department and then do the best I could to meet the recommendations contained in the report of that committee, which I hope will be confirmed by the House. I cannot however refuse the courteous request of my hon. friend, and I would say that the special preventive service force which was authorized last year by the vote of $350,000 in the supplementary estimates must be improved. In other words, of the sixty-seven men now employed, much as I hate to make dismissals, many must be dismissed and many additional men must be appointed. My intention would be to appoint a preventive force of some 260 men, divided up among the different provinces approximately as follows: Nova Scotia, 56; New Brunswick, 20; Prince Edward Island, 10; Quebec, 90; Ontario, 54; Manitoba, 16; Alberta, 3; Saskatchewan, 5, and British Columbia 13, for the purpose of patrolling and guarding the boundary points where trucks and automobiles may enter Canada, but also for the purpose of guarding strategic points in Canada.

Mr. EDWARDS (Frontenac): Does the minister mean 260 in addition to the present staff?

Mr. BOIVIN: Not in addition to the new special staff. I desire to make myself clear. The men authorized by the $350,000 vote of last year were roughly estimated at 200. Only 67 were appointed. Those who will be retained out of the 67 so appointed will be included in this number of approximately 260. These of course are just approximate numbers. The idea would be to group the men by twos and threes at junction points where several routes coming in from the United States converge to go into one large city; for instance at the Victoria bridge at Montreal, or at the Longueuil ferry. We would thus have a double check on all the incoming cars at these particular strategic points. In addition to that,

I think that a certain number of officers should be equipped with motor cycles or high powered cars for the purpose of patrolling, what I might almost call, the lonely country roads, the unimproved dirt roads that cross the boundary between the United States and Canada. They are or can be used by smugglers during the dry season of the year, but there is so little traffic that it would never pay to appoint permanent officers to guard them. In that way, we can pretty well protect the boundary. Hon. gentlemen will notice there is a less number of men mentioned in my estimate for the province of Ontario than for the province of Quebec. There is an extensive land boundary between the United States and the Province of Quebec, whereas the boundary line between Ontario and the United States is formed almost entirely by water. The points at which people can cross and come into Ontario are not so numerous as they are in Quebec. I would adopt the same methods along the boundary of the province of Manitoba at and near Emerson, and upon all the different roads leading up from the United States to the city of Winnipeg. The same thing applies also at points south of Vancouver, between Washington and British Columbia. I do not think this will be necessary between the provinces of Alberta and Saskatchewan and the United States, because there is very little smuggling done there. I am told that the distance between the large American cities on the south and the large Canadian cities on the north of the boundary line, is so great that it is not advantageous for smugglers to try to operate in that territory. The service will also have to be increased on the Pacific and Atlantic coasts. We had fourteen boats on the Atlantic coast. That number is not sufficient. The only way to effectively interfere with smuggling on the coast is by the use of patrol boats. A great number of boats have been offered to us for rental, but I have not rented more than one or two so far. A great many of the boats offered to us for rental are boats having a speed of about eight or nine knots per hour, and naturally they would be of little use in preventing smuggling.

The hon. member for Muskoka-Ontario, mentioned the fact that we had only made forty seizures during the past year. It is not the duty of patrol boats to make seizures and we cannot expect that service from them. The patrol boat is operating to scare the smugglers away, to prevent any communication between the coast and the liquor-laden schooner outside of the three-mile limit. When patrol boats are operating very few attempts are made to unload cargoes, and when vessels are obliged to remain too long on the open sea with their cargoes, they naturally move on and endeavour to send it into the United States or sometimes deliver it at Newfoundland points. The efficiency of the patrol service should never be measured by the number of seizures, but a certain number of boats should be added to the service. In British Columbia certain boats should also be used. The coast of Vancouver island should be protected although there is not much smuggling into Vancouver island, the largest amount of smuggling being into the bays and inlets on the coast of continental British Columbia. We have only one cruiser there; we should have others and I hope as soon as possible three or four other boats may be placed in operation. I hope I can lease boats to prove that this is a means of prevention. Later on if the experiment is successful I intend to ask parliament to vote a sufficient sum of money to build a certain number of fast patrol boats. They need not be very large, but they must be fast, because a patrol boat, if it is to be of any use, must be fast.

Mr. EDWARDS (Frontenac): The minister has given quite a comprehensive plan, but I notice that no provision is made in that plan for patrolling the Great Lakes. Is it the intention to leave that out of the scheme entirely?

Mr. BOIVIN: It is not the intention to leave the Great Lakes out of the plan. The reason why we have not made provision for patrolling the Great Lakes is that we consider that most of the ports at which boats of any size or importance land are already protected by preventive officers. The great trouble on the Great Lakes is not so much the smuggling in as the smuggling out. A great deal of liquor, as we all know, is shipped from lake ports to the United States of America, but we are particular about the export entry, about the necessity of giving the name of the boat and a description of the cargo in each instance, so that we may have some control of the boats when they come back and make sure that they do not return laden with United States merchandise. The boats report back empty to customs officers along the coast, and there must therefore be very little incentive for any one who is not exporting from Canada to the United States to use small boats for the purpose of smuggling goods into this country. The coast line of the Great Lakes is fairly well protected now by preventive officers, by sub-ports

and ports and we do not consider it necessary at the present time to put patrol boats on the Great Lakes. I thank the hon. member for Frontenac-Addington (Mr. Edwards) for bringing the matter before the committee. I want hon. members to remember that all I have said is merely a tentative plan, and other methods are under consideration. An idea which has been submitted to me by one of the officials of my department is that of erecting steel gates on roads crossing the boundary, gates which might be locked at sunset and opened at sunrise, and watched over perhaps by one preventive officer. I am not inclined at the moment to favour the idea, but I am willing to admit that it has much merit. It is certainly worthy of consideration even if I have not yet considered it worthy of adoption.

Mr. KAISER: I hope the minister will not become so absorbed in points in Canada that indulge in smuggling as to forget some of the places which know nothing of smuggling. I represent the city of Oshawa, a port which is fifth in the Dominion in the amount of the revenue it sends to the federal treasury. The federal service in that city requires some particular attention. In the first place we have no collector of customs, and we have not had a local appointee for a few years. I realize that the government have been very considerate in dealing as they have done, during his illness, with the gentleman who was appointed by the Conservative party, but something must be done at the present time. If it is the intention of the government to appoint a collector of customs at our port apart from the one who has held it in his illness, the appointment should be made immediately. Some attention should also be paid to the building which is absolutely inadequate for the services which we are endeavouring to carry on.

I do not know who in this House represents the Post Office Department, but in that regard we are worse off than we are in the Customs department. We have had no postmaster for several months, and nothing is known as to the intention of the government. The postal service is not as it should be; there is discontent within the office, discontent with the carriers and so on due to mismanagement of the service at that particular point. I hope the government will pay some attention now to the port of Oshawa and see that our services are lifted to a higher plane. I can understand why the office of postmaster was held open until after the election, but the election is over and we are willing now, and the town demands, that an appointment be made in connection with the post office. We say also that the customs service is not what it should be. Business men are patient but there is an under-current of complaint. As a matter of fact the customs office at Oshawa costs less than any other office in Canada in comparison with the amount of revenue received. The offices have been inconvenient and unsatisfactory to the business men, and I hope that the Minister of Customs and whoever may be responsible for the administration of the Post Office Department will make special note of this, look into the conditions, and give us a remedy for them.

Mr. BOIVIN: In answer to my hon. friend I may say that his remarks apply to three separate departments. So far as the buildings are concerned that is a matter for the consideration of the Minister of Public Works, and it will be brought to his attention. Regarding the appointment of the postmaster, I must thank my hon. friend for the indirect compliment he has paid myself and my colleagues of the government by saying that the appointment was left open until after the general election.

Mr. HANSON: There may be a reason.

Mr. BOIVIN: Possibly so, but as a rule party appointments are made before an election. This matter will receive the immediate attention of the Postmaster General. The question which interests my department, the appointment of the collector, and my hon. friend is right when he complains that the port of Oshawa, with the large revenue derived from the General Motors Corporation, has remained for some time without a collector. As my hon. friend knows, Mr. C. E. Thomas, the collector at that port, is unfortunately ill and has been on leave of absence through illness. I am told that he has been absent from his duties for about five months, and that an acting officer has been placed in temporary charge. This state of affairs cannot continue very long, and it is expected that if this estimable collector cannot return to his duties in the very near future, he will ask to be retired and the Civil Service Commission will be requested to make an appointment to fill the position. I can assure my hon. friend that within a very short time the position of collector of customs at Oshawa will be filled.

Mr. HANSON: Mr. Speaker, with respect to the remarks of the minister concerning the preventive service, I should like to ask what type of man he has been appointing or proposes to appoint; is he to be a man of the

so-called police type, or is he to be what has been referred to in the committee as a departmental man? Is he to be tangled up in a lot of red tape, or is he to be allowed to show some initiative? That is a most important feature, to which the minister has not referred. I would suggest to him that the success or failure of his plan will depend upon the personnel of the staff which he proposes to appoint. Furthermore I would like to know how he proposes to make these appointments; are they to be made on the recommendation of the local patronage committee of the community in which the men are to reside or operate? If so, I think he will get exactly the same class of service in regard to the prevention of smuggling as he and his predecessors have been getting, and that to a large extent is zero. I will not say that; I will withdraw that statement. The minister will not get as good service as he would if the men were not appointed for political reasons. Are the appointments to be made through the Civil Service Commission, or, as I understand from the vote last year, are they to be made by the government? Are the men to be of the type of the gentleman who was appointed chief of the preventive service in Montreal last July, and whose actions are now under review? I want to tell the minister that I think the department is on trial in this connection, that the revelations which have been made so far in the investigating committee have fixed the eyes of the entire country upon this preventive service.

While I am on my feet I would like to point out to him, in connection with the remarks of the hon. member for Bonaventure (Mr. Marcil), that while in my humble opinion I think it would be impossible to treat the gulf of St. Lawrence as a closed sea, I see no reason why the bay of Fundy, which is enclosed by British territory on three sides and which has a comparatively small mouth, should not be treated, as I believe it has been treated in international law, as a mare clausum. I should like to know the opinion of the department in that connection.

Then there is another matter which I would like to mention while I am on my feet. I want to take up all the things I have in mind now, because there are many others who want to speak on these questions. The Fisheries department has along the Atlantic coast and in the bay of Fundy a patrol boat, driven by internal combustion engines, which patrols along the border of the country between Canada and the United States. I wonder if the minister has ever considered the use of that fishery patrol in conjunction with the patrol against smuggling. As I understand it, the boat has a complete crew of fishery officers on board; she is on duty every day, and might very well be employed along certain portions of the coast line, with a preventive officer. Has consideration been given to that matter?

Mr. BOIVIN: We have not given consideration to the employment of the fishery patrol for that purpose. The suggestion is one that has never been made to me; I am very glad to have it made now, and I will take the matter up with the Minister of Marine and Fisheries and see if it will be possible to use the fishery patrol for the double purpose. I will discuss the matter with the minister, and the two departments will get together and confer concerning it.

The other question asked by my hon. friend concerning the method of appointment of the preventive officers is much more embarrassing. I have not yet decided how the appointments can best be made. I am convinced that they should not be made upon the recommendation of a local patronage committee or of a member of the House and I am equally convinced that they should not be made upon the recommendation of the Civil Service Commission. I do not like to refer to matters under investigation by a committee; I am not going to blame my hon. friend for referring to them, but he mentioned one name—

Mr. HANSON: I do not think I mentioned the name.

Mr. BOIVIN: My hon. friend did not mention the name but he mentioned the officer, the chief preventive officer of Montreal, who was appointed in July, 1925. That gentleman was raised to that position by the Civil Service Commission, on the recommendation not of the minister—.

Sir HENRY DRAYTON: The recommendation of the department.

Mr. BOIVIN: On the indirect recommendation of the officers of the department who gave him his rating. I am not blaming the Civil Service Commission for his appointment. If my remarks in this House on a previous occasion were interpreted as blame against the Civil Service Commission, I want to dispel that idea at once. The Civil Service Commission could not have done otherwise in this particular case. A requisition was made for a bilingual appointee; there were two applicants one of whom was not bilingual. No matter what his qualifications might have been, it was necessary for the Civil Service

Commission to appoint the bilingual candidate, but that was not the fault of the department. The position was advertised in the port and in all the sub-ports of the district of Montreal, and if only two applied for the position, certainly the department cannot and the Civil Service Commission should not be blamed. There is much merit in the Civil Service system. The Civil Service Commission has its place in our public life, to determine the qualifications of the applicants for promotion and appointment in the ordinary civil service not only in Ottawa, but also in the larger cities and also the towns and villages of Canada. The Civil Service Commission can well act as an intermediary between the applicants on the one side and the government on the other. There is no doubt about that. The Civil Service Commission can do excellent work but there are certain positions still within the jurisdiction of the commission which should not be there. How can the commission determine who is a proper man to be a preventive officer?

Mr. GOTT: By examination.

Mr. BOIVIN: Just exactly the answer I thought I would get. Do you agree, Mr. Chairman, that the man who is the best scholar, who is able perhaps to count in decimals, to write an essay or make a translation in more perfect form than his neighbour, is better qualified to act as a preventive officer?

Mr. GOTT: That is some qualification.

Mr. BOIVIN: True; that is exactly what I have said. For a great many positions you cannot get a better appointing authority than the Civil Service Commission. But I say there are some positions of a peculiar nature requiring certain qualifications which cannot be established by a man's examination paper, that cannot even be manifested by his appearance, yet these positions the Civil Service Commission are called upon to fill. Let me give an example. There is no man in this country prouder of a certain branch of the government service than the hon. Minister of Justice (Mr. Lapointe), sitting beside me. I think every member, be he Conservative, Liberal, Progressive, Labour or Independent, shares his pride in the achievements and reputation of the Royal Canadian Mounted Police. In the customs inquiry and elsewhere it has been said, "Oh, why don't you assign this work to the Royal Canadian Mounted Police?" And in every case where that branch has been placed in charge of any particular work which came within their jurisdiction it has been done excellently. Now, I ask hon. members on the other side this question—and excuse me, Mr. Chairman, if I put it direct—Will any one rise in his place and say that appointments to the Royal Canadian Mounted Police should be made by the Civil Service Commission?

5 p.m.

Mr. EDWARDS (Frontenac): Why confine your question to this side of the House?

Mr. BOIVIN: I regret the mistaken expression. I meant to address it to the entire House.

Mr. BURY: The Royal Canadian Mounted Police, Mr. Chairman, is a semi-military body and is entirely under the jurisdiction of its officers. It is so in the Old Country in connection with the police, or with any similar semi-military body. Therefore that illustration does not at all come fairly within the purview of the minister's answer.

Mr. BOIVIN: Perhaps my hon. friend did not hear the preliminary part of my remarks. I did not say to the Civil Service Commission, "Hands off the Customs department." I agree that the commission should continue to make a large number of the appointments—appointments of customs collectors, appointments of customs officers here at Ottawa, appointments of appraisers, and so on. I am now referring to the new preventive service, and I think it should be a semi-military or semi-police service. I say that that service cannot be satisfactorily appointed by the Civil Service Commission. I hope the committee and the House will not decide otherwise. I will not however determine any definite plan of action until I have received the report of the committee. It will render effective service to the country if it only determines where some of the smuggling takes place at the present time and reports to the House ways and means of organizing an efficient preventive service to stop that smuggling. If it can do this it will do better than any special committee that has been appointed by this parliament for many years.

Mr. GEARY: Does the minister mean that on the other hand these appointments should be made by the department?

Mr. BOIVIN: No. I said in my opening remarks that I was equally opposed to direct appointment by the minister on the recommendation of the local patronage committee.

Mr. GEARY: Of course, the Royal Canadian Mounted Police are appointed after examination.

Mr. BOIVIN: But not by the Civil Service Commission. They are appointed after examination by the officers in control and who place each probationer under observance.

Mr. GEARY: Certainly.

Mr. BOIVIN: In other words, they judge their appearance, ability, honesty and integrity.

Mr. GOTT: Is not that a kind of examination?

Mr. BURY: It is merely a qualifying examination. It does not necessarily carry promotion with it.

Mr. GOTT: I should like to know where examinations do carry. They did not carry in connection with the Kingsville appointment. Is the minister aware that all papers and information submitted to him by the department in connection with the dismissal of Mr. C. R. McCallum and the appointment of A. D. Pearsall, were issued even before Mr. McCallum's appointment was made? I am impressed by the minister's desire to be fair. He said in the House some time ago that when charges were instituted against any civil servant, the procedure followed was first to suspend the man charged, and then to investigate the charges; if found guilty he would be dismissed, and if found innocent he would be reinstated. Now, I ask the minister, although this appointment did not occur during his term of office, to go back and correct mistakes where it is possible to correct them. As I have said, none of the information I requested yesterday has been supplied. The examination took place on May 29, and Mr. McCallum passed with a high percentage of marks. He had a fine reputation locally, where he was well known, and an equally fine record while on overseas service. Yet under date of June 10, 1925, I find a letter addressed to G. Graham, Esq., Assistant Inspector of Customs and Excise, Ottawa. I may use this correspondence?

Mr. BOIVIN: Certainly.

Mr. GOTT: The letter reads:

I have the honour to state that the department has deemed it advisable to review the recent examination of applicants for the position of sub-collector at the outport of Kingsville.

Very remarkable that on June 10 the department should deem it necessary to review an examination that took place on May 29! I ask the minister what happened in the meantime that the department considered it necessary that this examination should be reviewed. I might state that the person by whom it was reviewed was a very outstanding Liberal, and the only thing in connection with the appointment that had not the appearance of political control was the examination and the marks obtained thereon. The next communication is from Mr. Graham, assistant inspector of customs and excise, under date of June 15, 1925:

In this connection I conferred with Mr. A. W. Massey, the principal of the high school at Kingsville, Ontario—

Mr. Massey, I might say, is an outstanding Liberal:

—and in the case of Mr. C. R. McCallum, I am obliged to state that this party, while of good ability, has been guilty in time past of a rather serious offence. It appears that while employed by the Canadian Pacific Telegraph Company at Kingsville, Ontario, this party divulged certain confidential information entrusted to him, with the result that he was discharged by the telegraph company.

Mr. Massey declined to make any change in the ratings already submitted by himself and Mr. McGuire at the previous examination.

Next I submit a letter to Mr. L. J. Lafferty, Windsor, from G. R. Kerby, chief inspector of the Canadian Pacific Railway, under date of August 15, 1925:

DEAR SIR,—Further to my letter of recent date in connection with former agent C. R. McCallum.

Kindly be advised that Mr. McCallum was not discharged from the service but resigned on his own free will, not wishing to assume further responsibility as he was not acquainted with the wire work.

Under the circumstances consider he acted very wisely as our system is quite complicated which made him dependent for information from his operator.

Yours truly,

G. R. KERBY,
Inspector.

As Mr. Graham, the assistant inspector of customs and excise, points out in his letter of June 15, 1925:

Mr. Massey declined to make any change in the ratings already submitted by himself and Mr. McGuire at the previous examination.

Mr. EDWARDS (Frontenac): Who came out at the head of that examination?

Mr. GOTT: Mr. McCallum stood far above all the others who tried the examination. The next letter is under date of June 15, 1925:

I have the honour to state that I am this date in receipt of a report from Mr. G. Graham, Assistant Inspector of Customs and Excise, relative to the rating of the candidates who recently made application for the position of collector of customs and excise at the outport of Kingsville, Ontario.

The assistant inspector's report, which is attached herewith, indicates that while Mr. C. R. McCallum is a party of good ability, he has in time past been guilty of having committed a serious breach of trust in that he divulged secret and private information while in the employ of the Canadian Pacific Railway Telegraph at Kingsville, Ontario, and also is a party whose disposition is such that he is not likely to get along very well with the public in the discharge of his duties were he appointed to the position.

Mr. BOIVIN: Just to have the file complete in Hansard, would my hon. friend be good enough to give the name of the person by whom that letter is signed. Would he read any other paragraph and the signature?

Mr. GOTT: It concludes:

All of which is respectfully submitted.

I have the honour to be, Sir,

Your obedient servant,

E. S. BUSBY,

Chief Inspector of Customs and Excise.

The next is a letter to the secretary of the Civil Service Commission from Mr. R. R. Farrow, Deputy Minister, Department of Customs:

I have the honour to enclose oral examination ratings by Mr. G. C. McGuire, Inspector of Customs and Excise, and Mr. A. W. Massey, on the candidates for appointment to the position of sub-collector of customs and excise at Kingsville, Ontario.

. The department recommends the appointment of Mr. A. D. Pearsall and copy of letter from Mr. G. Graham, Assistant Inspector of Customs and Excise—

If his position had not been stated, I would have been inclined to believe it was the Right Hon. George P. Graham, my worthy opponent in the last election. It goes on:

—is enclosed respecting the candidates, and your attention is directed to his remarks concerning Mr. McCallum, whose assignment would not be acceptable to the department.

That letter is under date of June 19, 1925, and that is the last letter which the Minister of Customs has supplied to me—one under date of June 19, 1925. Now Mr. McCallum received his official appointment under date of June 25, 1925. Here is his notification from the Civil Service Commission to report for duty. It is under date of June 25, and was received by Mr. McCallum in Kingsville on June 26:

Civil Service Commission of Canada

Notification of Report for Duty

Name—Charles R. McCallum.
Address—Kingsville, Ontario.
Department—Customs and Excise.
Branch—Kingsville, Ontario.
Title of position—Sub-collector of Customs and Excise, outport, Kingsville, Ontario.
Duties—As specified in the official definition, and such other related work as may be required.

As I said, the last letter that has been supplied to me by the minister is under date of June 19, 1925; Mr. McCallum was appointed on the 25th day of June, 1925, so it is obvious that the minister has failed in every respect to give me any papers in connection with his dismissal, and that is what I asked for yesterday.

Mr. BOIVIN: I am sure that my hon. friend will admit that all this took place before I entered the department. I had no knowledge of it at all. After he had brought the matter up, I called upon my officers to give me copies of all the documents concerning the matters referred to in my hon. friend's remarks. He has reopened the subject to-day, and has indicated what he still further requires. I can only say that further investigation will be made and if any other letters or documents are found relating to this matter, they will be brought forward and given to my hon. friend.

Mr. GOTT: I would like to ask the minister this question: If it is found that Mr. McCallum was entitled to that position, being a returned soldier, will he now be given consideration by the minister?

Mr. BOIVIN: Certainly he will be given consideration, and the entire facts will be reported at once to the members of the Civil Service Commission in order that the wrong done to Mr. McCallum, if wrong has been done, may be righted just as soon as possible.

Mr. GOTT: That is very satisfactory.

Mr. PETTIT: May I ask the minister if he has considered the advisability of establishing a continuous night patrol between Niagara Falls and Fort Erie, along the Niagara boulevard? That is a very important stretch, and I think a continuous night patrol is very advisable. There should also be a boat patrol along the shore of lake Erie on the Canadian side, from Port Colborne for a distance of at least ten or twelve miles west of that port.

Mr. BOIVIN: The matter is not only under consideration, but I may say that the Royal Canadian Mounted Police have a patrol at that point. We are now in communication with the chief of the Royal Canadian Mounted Police for the purpose of ascertaining if it will not be possible for them to give us the men required to establish the continuous patrol suggested by my hon. friend. I cannot make any definite statement now.

Mr. PETTIT: It should be a continuous control.

Mr. BOIVIN: Oh yes. I have found that a patrol on a dangerous boundary is no good at all unless it is maintained for the twenty-four hours, because smugglers know the hours the patrol is maintained, and naturally take advantage of that knowledge. That is why I am giving serious consideration to the idea of erecting steel gates on boundary roads, but I admit frankly I have not yet decided that it would be the best plan that could be adopted.

Mr. EVANS: I have listened with interest to this discussion to-day, and particularly with regard to the contemplated plan of the minister to prevent smuggling. A discussion of this kind might have taken place in England some one hundred years ago, but since that date it would have been utterly impossible for that country to engage in any discussion of this kind. It must be obvious to hon. gentlemen from all the discussion to-day that our preventive service is costing this country a tremendous sum of money; in fact, it is getting too costly. Now the plan is to put on more boats for patrol work, and they will be still more costly because they have to be of pretty high speed if they are to do any good. Instead of spending the money in this way, I think it must be obvious to the whole of this country that there is another way to prevent smuggling. I believe smuggling is carried on to a tremendous extent at the present time, but by lowering the duty on the goods smuggled we could do away with a great deal of these illicit operations. The preventing of smuggling is costing this country too much. Apart from the smuggling going on around our borders, and the preventive service designed to check it, we have a little army of high salaried men who follow up importations from foreign countries and see that the manufacturers do not falsify invoices and so forth. All this is very costly, and so I would recommend to the earnest consideration of the government the advisability of lowering the duties, whereby smuggling will be greatly lessened.

Mr. McGIBBON: I should like to draw the attention of the minister to a fact which I think is rather serious. It is that when an hon. member asks for a return from this government and it is brought down it is found to be incomplete. No less than four letters, to be found on page 1271 of Hansard are missing from the return brought down at the request of the hon. member for South Essex (Mr. Gott). Surely it is a serious condition of affairs when documents are lacking from a return brought down at the request of a member of this House. That constitutes a serious situation which merits some consideration from the minister.

Mr. BOIVIN: I would agree with my hon. friend if the documents which the hon. member for South Essex has just read had really formed part of a return. The documents that I handed the hon. gentleman to-day were not in the form of a return to the House. They were sent to him in answer to a question that he asked the other day concerning the reasons why a certain person who had passed the qualifying civil service examination had not been accepted by the department. The departmental officers gave me some letters which they thought would explain the matter, and I handed them to my hon. friend, but there was no intention to mislead parliament. If a request had been made for the complete file, all the letters would have appeared in the return. In fact if my hon. friend desires to have the complete file laid on the table, I shall be only too glad to see that his request is complied with.

Mr. EDWARDS (Frontenac): I hope the hon. minister will not be unduly influenced by the suggestion of the hon. member for Rosetown (Mr. Evans). One of the great difficulties of the preventive officers is to stop the smuggling of liquor into this country. I was somewhat surprised, therefore, to hear the hon. member carry his free trade ideas to the extent of recommending a lowering of the duties on that commodity which the best talents of the preventive service are being exercised to keep out. It was also noticeable that the free trader from Rosetown did not advocate an entire removal of the duties, but a reduction. Consequently we can only assume that the hon. member, who regards anything in the way of protection as a vice and everything in the way of free trade as a virtue, prefers for the time being a measure of vice to complete political virtue. There is no other logical conclusion to arrive at than that the hon. member for Rosetown is compromising with vice, although as Pope says:

> Vice is a monster of so frightful a mien,
> As, to be hated, needs but to be seen.

The hon. gentleman seems to have come to the point where having been compelled to endure protection for a while he will end up by embracing it.

I cannot agree with the reasoning of the minister in regard to the qualifications of the Civil Service Commission to appoint men to the preventive service. As I understand it when a vacant position is advertised the qualifications required for that position are clearly set forth,. and the Civil Service Commission must judge whether or not the candidates possess those qualifications. Therefore I suppose that in advertising for a preventive officer the qualifications for the office would be distinctly specified, and the Civil Service Commission should be able to judge of the qualifications of the candidates as they do in the case of vacancies in the post office or other clerical positions. The fact of the matter is that so far as the Civil Service

Commission is concerned a great change has come over the minds of hon. gentlemen on both sides of this House since that body was appointed. I very distinctly remember that when the matter came up in the House—and it gives me considerable satisfaction now, although I was in a very hopeless minority at the time—I opposed the transfer of political patronage to the Civil Service Commission. I opposed it at that time, and as the years have gone by I have been more than ever convinced that the position I took then was the correct position. I do not believe that any three or four men sitting in the city of Ottawa are as well qualified as local men in the various counties to determine who is or is not best fitted to fill local positions. I take the stand now that I took some years ago when this matter came up, that not the defeated candidate of the party in power, but the member elected, no matter to what political party he belongs, is the man who should assume full responsibility for such appointments and the advice given to the government with respect to them, and that he should stand or fall by his action. The people of his constituency will hold him responsible. If the man he nominates for a position does not fill the bill he will have to answer to his constituents and that is a course which I think should very well be followed.

The minister has intimated that he thinks appointments to the preventive service should be made in some other way. He has not indicated very clearly, to me at least, just how he thinks such appointments should be made, but I take it that he would want men who had had some training in military discipline at least. In that case why not utilize our permanent force and give them something to do besides walking around the barracks in different parts of the country.

Mr. BOIVIN: I do not think they would have the training necessary to enable them to do the work.

Mr. EDWARDS (Frontenac): I presume they are all men of intelligence, and if they are, the department should be able to educate them as well as any other class. The tribute paid to the Royal Canadian Mounted Police is none too high; you cannot praise that splendid force too highly. That class of men would undoubtedly give the same kind of service that has given the force a world-wide reputation.

Mr. BOIVIN: Let me put this question to my hon. friend. I am very much interested in his views and I should like to have him tell me what he would think of the idea of enlarging the scope of the Royal Canadian Mounted Police and of confiding to them, or to a special branch of the organization, the preventive service of the country.

Mr. EDWARDS (Frontenac): Well, that might be all right in some respects; I do not see why those in the permanent force could not be utilized and taught their duties. But when you try to carry out that idea of the minister you are simply going round the Civil Service Commission; and back of it all you have the fact, expressed in a circuitous manner, that we have a Civil Service Commission, the members of which draw very good salaries, which is not competent to appoint officials in certain branches of the public service. That is a condemnation of the Civil Service Commission. I will back up the minister or anybody else in this House who will undertake absolutely to overhaul the whole of the Civil Service Commission.

Mr. BOIVIN: If I can get that same assertion of opinion from the majority of the members of this House, I will attempt to start the overhauling right off.

Mr. EDWARDS (Frontenac): I cannot speak and do not propose to speak for any other member on the Conservative side of the House. Certainly I would not presume to speak for my hon. friend from Lisgar (Mr. Brown) and I would be in wrong if I undertook to represent the views of the hon. member for Rosetown (Mr. Evans), or of others who profess to hold similar opinions. I cannot give the minister any guarantee beyond my own opinion—

Mr. BOIVIN: I did not ask for that.

Mr. EDWARDS (Frontenac): I know he did not. One thing is certain; it is time we had in the Department of Customs a minister who was seized with the responsibilities of his office. I am not going to express any opinion now in regard to the present occupant of the office, but the position strikes me as very peculiar. This government last session succeeded in putting through a vote of $350,000 for special work in connection with the prevention of smuggling, which they must have known and did know at that time was carried on to a large extent in this country. I am informed that up to the end of January of this year only $20,000 or $30,000 of that amount had been spent. What is the use of the government voting $350,000 for special preventive service and then coming forward and asking the people of the country to pat them on the back for their economy in not

spending money to make the preventive service of the country effective? With such information that we have before us I hope the government will take serious action in this matter of preventing smuggling, appoint a staff of preventive officers and organize such a service of patrol boats as is required to give effect to the laws of the country. There is no use quibbling over a few hundred or a few thousand dollars of expenditure in our preventive services. Make your officers as efficient as you will and still you have a difficult problem to deal with in preventing smuggling. If we have, and so long as we have, a customs tariff in this country, we will require customs officials and preventive officers to see that the law is put into effect; and you will always have in this country, within the lifetime of the youngest member of this House, a customs tariff. I know my hon. friend from Rosetown believes that just as much as I do, but he came here, as did a good many others from the Old Country, with his mind impregnated with the free trade policies which these people still continue to cling to, and I suppose always will cling to, until Providence takes them out of this world.

We are glad to have these gentlemen come from free trade England to Canada, where they are carrying on to a certain extent under a protective tariff and are much more successful under protection than they were under free trade. We are glad, I say, to welcome them here. The only point is that we would like them, when they cross the Atlantic, to leave their free trade nonsense on the other side of the ocean and proceed here on sane and modern lines. This old idea born and bred in England fifty or sixty years ago, which they still cling to, covered with the cobwebs of age as it is, without a single sound reason to support it, has become so moth-eaten at the heart that even the British statesmen are turning their backs on it, and when you get a British statesman turning his back on an old idea you have to take into consideration the significance of the fact that he is English or perhaps Welsh—I think the Welsh are more stubborn and harder to change than the English. When an Englishman gets an idea into his head it takes him fifty years to get it out and replace it with something saner; and it takes a Welshman about seventy-five years to do the same thing. If they will take the word of people born and bred in Canada, who understand political conditions here, who have not their eyes closed to the fact that we live alongside the United States, the most highly protected country in the world, they will abandon some of their nonsensical theories. If the hon. member for Rosetown will take these matters into consideration and get down to horse sense, he will not rise in the House and advocate the free trade nonsense which he hands out every now and then. He knows down in his heart that it is the veriest nonsense, but he still keeps to it, because I assume out his way there are still some people who came from the Old Country and the only fiscal idea they ever got into their heads was the theory of free trade. Those people have votes and that is the class of people my hon. friend appeals to. The hon. member from Rosetown talks free trade in this House, yet he advises the minister not to take off all the duties, not to have complete free trade, not to get ride of the vicious thing, the aching rotten tooth, all at once, but to pull it out by degrees. Deal with the cancer gradually, he says; take a little bit to-day and a little bit to-morrow; do not do it all at once, because the country could not stand the shock. Let us therefore hang on, he says, to that vicious thing protection; do not take all the duty off; let us continue to be vicious; then we will be in the happy position of being able to keep company with the Minister of Agriculture (Mr. Motherwell), following the expression of opinion with which the hon. member for Rosetown favoured us about the hon. minister some time ago.

I wish the minister all kinds of success in his attempts to prevent smuggling. If he proposes to appoint to the preventive service first-class men who have had some experience, some discipline and some training, I am prepared to give him the names of three or four from the counties of Frontenac-Addington, where we produce good men. I can assure him that they would make first-class officers. I will not ask him to take them on trial for a year. I am so satisfied that they would fill the bill as I believe he wants it filled that I will undertake, if they do not come up to his expectations in the fullest degree in thirty days' time, to replace them with others. That will be a long enough time to give them a test. If in this matter he intends not to depend upon the Civil Service Commission for suggestions, I am not going to quarrel with him in that regard. As one who opposed the transfer of patronage to the Civil Service Commission, I submit that I am consistent in the position I take to-day, and I hope he will give due consideration to any names I send to him for these positions which he wants filled by first-class men.

[Mr. J. W. Edwards.]

Mr. GUTHRIE: When this item was under discussion on Tuesday last, the minister stated that there had been an increase in the staff of officials at Bridgeburg of some seven or eight who had been put on as car sealers at that rather important point. My object in asking a question on that occasion was to ascertain just what the facts were at Bridgeburg and also at Windsor in respect to the sealing of cars, because rumour had it that the system which had been employed at those points for some time past had been very loose and insufficient. The minister has kindly brought to the attention of the House to-day two reports made by Chief Inspector Busby of the Department of Customs and Excise, and these reports go exhaustively into the question of car sealers at those important points, and confirm an impression which existed that little or no inspection of sealing and probably little or no sealing took place of cars moving on the railroads at those points between Canada and the United States.

The inspector is to be congratulated upon taking action in this matter. I see that he has recommended some seven additional car sealing inspectors at Bridgeburg, and also some six or seven at Windsor, to do work which I do not think could have been done before in any satisfactory manner. The inspector in his report dated Bridgeburg, April 20, 1925, states—and I will not read all the report:

Accompanied by Inspector A. M. Kennedy and Supervising Officer G. A. Clark, I visited this date the Canadian National Railway freight yards at the port of Bridgeburg and ascertained that at this point during the fiscal year 1924-25 there were 209,672 cars entered Canada and 191,132 cars were reported outward from Canada.

This is the paragraph:

The cars entering Canada at this point arrived from the Canadian National and Wabash yards at Black Rock, N.Y. Tyden seals on such cars are stamped with the crown and port number by an officer at the port of Bridgeburg, and sent over to Black Rock in bundles of 1,000 to 2,000 seals to the agent of the railway there, where they are placed on the cars by employees of the railway company without the supervision of customs-excise officers.

That, evidently, was the system employed—sending the seals in bundles of 1,000 to 2,000 from Bridgeburg to Black Rock, where the railway employees placed them on the cars without any customs or excise inspection at all. The report continues:

These car seals are not examined by customs-excise officers when reported inwards at Bridgeburg, although occasionally some of such cars are examined and checked by the officer checking less than carload shipments when not engaged in checking goods out of cars which is very rarely.

The inspector very wisely recommends a change. He says:

To supervise the placing of seals on the cars and the checking of same against inwards report, A-1, would require the services of four additional officers, two for day duty and two for night duty, to be placed in the yards of the Canadian National and Wabash railways at Black Rock, N.Y., under the supervision of Mr. Supervising Officer, G. A. Clark, at the expense of the Canadian National Railways, who would benefit thereby.

That recommendation I entirely approve. But the other branch of the report which deals with the Michigan Central railway contains no recommendation, so far as I can see, that the additional men placed in their yards shall be paid for by anyone but the government of Canada. The Canadian National for their convenience must pay for these men, but not so, if I understand the report aright, in the case of the Michigan Central. The report continues:—

We then visited the office of the Michigan Central railroad at the end of the international bridge, and examined into the manner in which train reports inwards and outwards are dealt with, and ascertained that seals have never been checked at this point, on cars entering or departing from Canada; which work is in the future to be dealt with by the four additional officers which it is proposed shall be placed at the yards of the Michigan Central railroad at Victoria.

The United States customs have officers stationed at this point—

That is, Bridgeburg.

—to examine and check seals on cars entering the United States at Black Rock, N.Y., from Bridgeburg, at the expense of the transportation companies concerned.

The United States has taken care of the situation in the interests of its government, but at the point where approximately 400,000 cars a year, 200,000 inward and 200,000 outward, cross the international bridge, no inspection in Canada of the sealing of those cars has taken place. There is an open door to smuggling. Cars unsealed entering Canada may very easily be opened in this country and goods discharged at any Canadian point, whereas these cars are supposed to be bonded going from one point in the United States through to another point, for instance Niagara Falls. The inspector is to be congratulated on having remedied that defect, which evidently was permitted to continue until some time during the last eight or ten months.

At Windsor the situation is as bad, if not worse. The inspector visited Windsor and this is what he said in his report dated April 14, 1925:

I might here state we first visited the ferry slip where the car ferries of the Wabash and Père Marquette railways land cars for shipment to points in Canada on the Canadian Pacific Railway.

Although we waited for some time, the officer was absent from the office and could not be located, the office being open and two bunches of Tyden seals stamped with the port number were lying in the window seat of such office, where any person if they so desired could take same, instead of such seals being kept under lock and key when not being used, as they should be.

The inspector goes on to report that seven additional officers of the department are necessary to see that a proper system of sealing and inspection takes place at Windsor. In regard to the sealing of cars coming into Canada, he says he thinks this might be done as a matter of convenience at Detroit instead of on the Canadian side of the line. He continues:

This would necessitate the services of four officers for whose services the Michigan Central railroad should be required to pay. These officers to be assigned to duty in the sealing yards of the Michigan Central railroad at Detroit, two on day duty and two on night duty.

The suggestion is that the Michigan Central pay for those, as they should do, because it is for their convenience. Further on the report states:

To carry out the proper checking of seals at this point in the Michigan Central yards it will be necessary that the services of four additional officers be provided for, unless the department agrees to the placing of the four officers at Detroit (at the expense of the Michigan Central railroad) in which event all that will be necessary will be the moving of the officers now at the electric tower to the office to be provided at the summit of the Humps, to check trains reporting inwards and outwards on forms A-1 and A-5.

It will also be necessary to provide two additional officers at the Wabash and Canadian National car ferries' slips to check seals and car numbers against reports inwards and reports outwards, which at present is not being done owing to the insufficiency of staff to take care of this work.

I bring this to the attention of the minister because, if this system has existed until recently at important points such as Bridgeburg and Windsor, what is the situation at other international points? What is the situation at international points in Quebec and in the west? Is the loose system which obtains at Bridgeburg and Windsor also in force at the suspension bridge at Niagara Falls? Unless these cars are sealed and unless they are properly inspected after being sealed, the door is thrown wide open to all kinds of smuggling. I would strongly impress upon the minister that it be his duty or the duty of some of his officers in the near future to see that this international freight traffic is properly inspected and the cars properly sealed. If we have not enough officers now to look after the sealing, more should be appointed and their salaries paid by the railways, for whose convenience they are appointed. I personally believe that the matter has been discussed a good deal among railway and commercial men during the past two years, and I am glad to hear that at these points there has been a remedy applied.

[Mr. Gauthrie.]

Mr. BOIVIN: I agree entirely with my hon. friend in what he has said concerning the report made by Inspector Busby. If, however, the remedy was not applied sooner, there is no official of the department who can share the blame with Inspector Busby. He has charge of the inspection at all of these points. He is a very competent official, but he has an enormous territory to cover. The sending of the seals by the customs officers in Canada to the employees of the railway in the United States to be affixed to the cars was in direct violation of the instructions given to these officers by the department, a violation which was discovered by the inspector. I might reassure my hon. friend by telling him that I am under the impression that when this inspection was made at Bridgeburg and at Windsor, an inspection was also made at Niagara Falls as well as at Sarnia, and it was found that the abuses which had crept in at those two points where we were obliged to apply the remedies, had not crept in at the other points, and the cars there were being properly sealed. I hope my hon. friends will allow the preventive service items to go through at once.

Sir HENRY DRAYTON: I thought it was only the one item.

Mr. BOIVIN: I think my hon. friend will recall that the night before last, he stated than one of the principal reasons why he did not want this item to be passed then, was that it was intimately linked up with the succeeding items.

Sir HENRY DRAYTON: Quite so; I did not want discussion on one to be shut off from the others. In reference to this particular item, I was not concerned so much with it as I am with the other two. I just want to point out to my hon. friend that I do not think he should ask us to pass the other two items at all until the Customs committee has reported. This gives the House the only control it can have; it enables review and puts the House in the position of being able to go into this matter properly and fully from the fiscal standpoint. It would be a very remarkable thing, I think, if under circumstances such as we are faced with to-day and in view of the charges which were made—yes, and more than that; in the face of the admissions of the government—we should now pass these other votes which are intimately connected with the subject of the investigation. I think my hon.

friend will agree that the consideration of these other two items should be postponed until after the committee reports.

Mr. BOIVIN: There is a great deal to be said in favour of the view taken by my hon. friend, but if the inquiry instituted into the administration of the Department of Customs and Excise is to be thorough and efficient, it certainly will not be concluded for a very long time. It may last as long as the session itself. When its report comes before parliament every recommendation made will be open to discussion; the entire reorganization of the preventive service will be brought up, and I expect that suggestions will also be made to amend the Customs Act, and possibly the Excise Act in certain particulars. That will necessitate legislation attended by a long discussion, and I do appeal to my hon. friend to kindly allow us to dispose of these estimates now. If any further amount is required an item will be placed in the supplementary estimates. There will in any event be a supplementary item in connection with salaries and promotions for the present year. The difficulty with which we are confronted is, as I pointed out to my hon. friend when I started the discussion of these estimates, that unfortunately all the items are linked up, and if my hon. friend takes the course of asking that the adoption of the item for $350,000, and the next item of $100,000 be deferred, he will hold up the entire estimate, and on the Votes and Proceedings of this House the labours of the new minister will go for naught; there will be nothing to show for the items that have already been passed. I do appeal to my hon. friend to pass the preventive service vote, with the understanding that the matter may again be thoroughly discussed when the report of the committee is presented, or on the supplementary estimates.

Sir HENRY DRAYTON: But my hon. friend knows very well that the only control the House has over the government is in the matter of the funds to be voted. The government can do just as they like about the other matters. I really thought my hon. friend would agree with me that the matter should not now be proceeded with. I feel that that should be done, Mr. Chairman, and in order to bring the matter to a question I move that the Chairman do now leave the chair.

The CHAIRMAN: That is hardly necessary; I will declare it six o'clock.

Sir HENRY DRAYTON: There is a motion before the chair.

Mr. GARLAND (Bow River): Mr. Chairman, I would like to ask—

Some hon. MEMBERS: Order, order.

Mr. BOIVIN: I hope my hon. friend will at least allow me to ask a question. Does he desire by this motion to secure the withdrawal for the present of these other two items?

Sir HENRY DRAYTON: I want the ordinary rules of the House to be applied. I have made a motion. I want to prevent these two items from being considered, as I do not think they should be considered.

Mr. GARLAND (Bow River): Just as a point of information, Mr. Chairman, I desire to know if this motion means that all further discussion on these items is cut off.

Some hon. MEMBERS: Question.

Motion agreed to: Yeas, 74; Nays, 41.

At six o'clock the Speaker resumed the chair and the House took recess.

After Recess

The House resumed at eight o'clock.

REPRESENTATION ACT, 1924, AMENDMENT

Mr. G. B. NICHOLSON (East Algoma) moved the second reading of Bill No. 10, to amend The Representation Act, 1924 (Boundaries of certain constituencies).

He said: Mr. Speaker, the purpose of this bill, as shown by the bill itself, is to change slightly the description of the districts of Nipissing, South Timiskaming, North Timiskaming, East Algoma, West Algoma, and Port Arthur. The bill has been introduced because of the almost unanimous request made to the representatives of these districts by the people within the areas concerned. Without going into any considerable detail, I may say that the bill in no material way affects the population in any of the ridings concerned, and this is more particularly the fact because, due to the expansion that is taking place in certain sections of northern Ontario, the population is changing so rapidly that you cannot define any particular area on a basis of population at any period and have that remain stationary for more than a few months, let alone a considerable period of years. Just let me explain how the people affected are situated in relation to the distribution of these several districts. Take first the districts of Nipissing and South Timiskaming in relation to each other. The portion of South Timiskaming, as defined in the legislation of 1924, that will be taken away

and added to the district of Nipissing under this bill is a group of townships in the northwestern corner of the district of Nipissing. In order to get in touch with their representative in South Timiskaming the people residing in these townships must travel a distance of about 170 miles through the district of Nipissing to North Bay and then a distance of 130 to 140 miles further through the district of Nipissing on the Timiskaming and Northern Ontario Railway to get back into that particular section in the district of South Timiskaming. They are just an isolated group of townships in one corner of the district of Timiskaming. And may I say here that I have discussed the matter with the representative of the district of Nipissing, and he agrees with me, or at least has so expressed himself, that these townships properly belong to the district of Nipissing. The only means of communication between these people and their representative now in the House and the place where they are grouped is for 200 miles across the Timagami forest reserve, or by a roundabout route of about 200 miles, all of which is through the district of Nipissing.

Let me come now to the next change that will be effected as between East Algoma and West Algoma. There is just a small group of communities with about 2,500 people in the northwestern corner of East Algoma that has been taken and put into West Algoma. Now in order for these people to get into touch with their representative who is now in the House they must travel eastward on the Canadian Pacific railway a distance of 172 miles to the town of Sudbury, and then turn westward and travel for 172 miles to Sault Ste. Marie. To put it in another way: In order for the representative of the riding to reach this particular part of his constituency he must travel through East Algoma a distance of about 340 miles. Then there is another single township where, in order for the representatives to reach that township, he must travel through East Algoma for a distance of 200 miles through a portion of the district of Nipissing, on to the district of South Timiskaming, and then for another 100 miles in East Algoma, to get to this one township.

Then in relation to the district of Port Arthur and West Algoma there is what was recognized as the southwest corner of the latter district situated about 100 miles from Sault Ste. Marie. And may I say, as most of you know, that is the centre of the district of West Algoma. In order for the representatives of these people, who now reside in Port Arthur because that place is the centre of the district of Port Arthur, to get in touch with this particular section he must travel 280 miles eastward on the Canadian Pacific railway. Then getting into the district of West Algoma he travels about 140 miles, reaches the district of Port Arthur and then goes back again into West Algoma in order to reach this small group of communities which, as I previously stated, are 100 miles from the city of Sault Ste. Marie. I think I am well within the mark when I say that the people affected are themselves unanimous in their demand that they be replaced in the district from which, I believe, they were inadvertently removed. I think I can say that the representatives from all these districts are unanimous in their desire that the boundaries shall be restored, and that the constituencies shall bear some relation to the convenience of the people in getting in touch with their representative, and to the convenience of the representative in getting in touch with their people. I would ask, Mr. Speaker, that the bill be referred to the committee on Private Bills where the details can be fully and frankly discussed, and care taken to see that nothing of an injurious character is worked out in relation to any part of this district.

Mr. LAPOINTE: Does not my hon. friend think that the committee on Privileges and Elections would be the more natural committee to deal with this matter than the Private Bills committee?

Mr. NICHOLSON: I cannot see how this matter has any relation whatever to the subject of privileges and elections. However, I have no objection to the bill being referred to any committee that is empowered to deal with it logically and would be prepared to go into the details of the whole matter. I have absolute faith in the logic of the whole proposal. I am perfectly certain that no objection to it can be raised from any quarter. All that I ask is that any committee of the House properly constituted to handle this matter shall deal with these details and decide the matter fairly.

Mr. E. A. LAPIERRE (Nipissing): As representing one of the constituencies named in the bill submitted by the hon. member (Mr. Nicholson) I wish to explain under what circumstances the section of South Timiskaming is in the situation which has been outlined by my hon. friend. The House will recall that during the redistribution which took place in the last session of the last parliament three distinct constituencies had to be carved out of Nipissing and Timiskaming. It was found later that the population of the two

constituencies of Timiskaming and Nipissing contained 102,000—36,000 being adopted as the basis of representation in order to form the three constituencies. With regard to that portion of Nipissing which now forms part of South Timiskaming, it contains, although at a considerable distance from the resident population, the only population that is available to form another constituency. There is no other way by which an equal partition of the two constituencies could be arrived at in order to grant a fair representation to the three new ridings. This, Mr. Speaker, was certainly not done in order to favour the district of Nipissing, as the section which was removed from that constituency was composed almost entirely of French-Canadian voters who protested to me against being separated from the riding of Nipissing. It was found, however, by the committee that it was absolutely necessary to take out that much of the population in order to give to South Timiskaming the required number of people. The proposal was finally accepted, and I feel the decision of the Redistribution committee should stand. For that reason I am opposed to the motion.

Mr. E. F. ARMSTRONG (South Timiskaming): Mr. Speaker, I rise to speak on this subject because it directly affects the district from which I come. Never before in the history of political divisions in the north has that district which comes near Sudbury been included in South Timiskaming. To make the situation plain to hon. members, I may say that this corner comprising about 4,000 people coming within three miles of the town of Sudbury has been cut off and attached to South Timiskaming. This really means a district commencing at about Cobalt, 200 miles away. In other words this small population which, since the earliest days of settlement, has belonged to the community around the town of Sudbury, has been cut off and thrown across the forest reserve 200 miles away, and there are not fifty people between the two communities. That means that the member representing that district in Cobalt has to go 100 miles south into the Nipissing district to North Bay. Then he has to go eighty or ninety miles west to Sudbury, then take a car and go fifteen or twenty miles up through the Blizzard valley into the Capreol district. The people down there are among the finest settlers in this country. They went in there as pioneers, they have hewn out for themselves their homes, and they very much dislike this treatment. They are associated with the conditions and problems affecting the district around Sudbury and their interests are the same. They know each other. They know no person in Timiskaming. They know us not at all. Our problems are not the same. We are 200 miles away and for that reason I say the present adjustment of the boundaries of that district is very unfair. On the other hand, the representative from Nipissing spoke very well along the line of representation, and I wish to say a word on that phase of the subject. Let us take the district which includes South Lorraine, Cobalt, Haileybury, New Liskeard, and that beautiful town of Englehart; Charlton, Gowganda, Elk Lake and Swastika, Kirkland Lake and the splendid farming community in their vicinity. Kirkland Lake alone had added a population of 4,000 or 5,000 to this district since the last redistribution. That country has picked up 7,000 or 8,000 additional people since the last redistribution. To my mind that offsets any argument against not having sufficient population in that north district to carry the representation. I submit that the present condition is unfair to the people of both places. To run an election up there is like carrying on an election in two districts; and it is in harmony with the ideas and aspirations of the people of both the north and the south sections that they should be sent back to their old lines, the old historical community to which they belonged when they went into that country as settlers.

Hon. ERNEST LAPOINTE (Minister of Justice): Nobody who is unacquainted with the geography of that particular district can discuss this matter with a large degree of intelligence, but as you know, Mr. Speaker, the matter of adjusting the boundaries of a constituency comes up after every census is taken. We have what is called the redistribution of the constituencies of Canada. It was carried through last year, indeed, in such a way as to exclude partisanship. A committee of members representing all the provinces and every party in this House sat for many weeks, or I should say many months. Sub-committees were formed. Members on both sides of the House representing every province were entrusted with the task of going over the map, of hearing representations from interested parties in the various districts, and after discussion and consideration to the fullest degree, those sub-committees agreed, and the committee itself agreed, on the redistribution that was made. A unanimous report was presented to the House, so far as I remember, and the redistribution as made was accepted unanimously by this House. Under the circumstances it is rather unusual to ask to change the boundaries of a constituency, but

I am quite willing to accede to the demand that this bill be referred to a committee. However, I believe the committee on Privileges and Elections is the one to which it should be referred, because it is a public matter, and that committee is composed of members who could easily deal with it.

Hon. R. J. MANION (Fort William): I am pleased to hear the minister take the very reasonable attitude he has taken in this matter. I am not affected at all and I have nothing to say against his remarks about the work of the committee last year. They had a very difficult task to perform, and I think they performed it pretty well. There was a good deal of compromising, and that is where the difficulty arose in regard to the constituencies which are now being dealt with. None of the constituencies mentioned touches my constituency, so that I am speaking not personally but simply as one from that great section of northern Ontario which requires some special consideration in a matter of this kind, consideration which the Minister of Justice has fairly agreed to give it, because the area is so immense.

If you will look at the map you will find that the area of northern Ontario, with its 150,000 people or thereabouts, is a number of times greater than the area of all the rest of Ontario put together, yet there are only eight constituencies up there. I do happen to know that in the compromises which took place in the committee last year the constituency of East Algoma was changed a little, I do not mean to say unfairly, but a little unfairly to the constituency as a constituency. I am not speaking of parties. For example, without naming places, one town, the centre of East Algoma, was taken out of East Algoma and put in West Algoma and made very much more awkward to get at by virtue of that fact.

As the Minister of Justice has agreed to leave this to a committee, I do not wish to take up the time of the House, but I wish to offer a suggestion. I have not discussed it with the member who proposes the bill, but I suggest that a special committee should be appointed, made up of members in proportion as to parties of course, but taking in any territory largely affected. The member for Nipissing would be one of them; it would include the other members from the district, and the committee could be balanced up with other members, if you will. I do not know whether that suggestion would be acceptable to the member who proposes the bill, but it would appear to me to be the fairest method of dealing with the matter. I have talked the matter over with the member for East Algoma and I am convinced that his whole idea is one simply of making all of the constituencies more convenient to handle. That is something that should be taken into account where those large areas exist, because some of the constituencies up there are hundreds of miles wide and hundreds of miles long, and anything that can be done to make them a little more convenient to handle is certainly good, not only for the members who run but for the people who live in that part of the country.

Right Hon. W. L. MACKENZIE KING (Prime Minister): In reference to the suggestion just made by the hon. member, I think he will agree that it would be possible for hon. members specially interested to appear before the committee and make clear to its members their respective points of view. There is an objection to having a large number of special committees appointed. The House has found in the past that where there are a number of special committees, sitting frequently when the House is in session, it is a source of embarrassment, and leads to an accumulation of reports to be considered at the end of the session. We have a committee on Privileges and Elections, and its personnel is such I believe, as will commend itself to the House. There appears to be general agreement as to the propriety of referring the bill itself to a committee; I hope we may all be able to further agree to referring it to the committee on Privileges and Elections.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): There is only one precedent, so far as I can remember, and that was in 1919 when the then member for Chilliwack, Mr. Stacey, sought to have the name of his constituency changed from Chilliwack to Fraser Valley, and endeavoured to do so by way of amendment to the Representation Act. Consequently the bill is on all fours in so far as its character and status in this House are concerned. That bill was not referred to any standing or special committee; it was referred to the committee of the whole House and having passed through the committee of the whole House and third reading, it became law. There is some objection which I can understand to referring a public bill to the Private Bills committee, and if the hon. member is prepared to have the bill go to a committee at all, I do not see any objection to accepting the intimation of the leader of the House and having the bill go to the committee on Privileges and Elections.

The precedent would indicate that it should simply go through without reference to any special committee, but I take no stand on that matter. Let it go to the committee on Privileges and Elections.

Mr. PETER HEENAN (Kenora-Rainy River): As a member representing, I think, the largest constituency in that part of Ontario, I agree with a great deal of what has been said on the other side of the House, but I have a suggestion that probably is the best one that has yet been made, and that is that we redistribute the whole of northern Ontario. Perhaps a committee appointed to do that work would be more appropriate. We in the Kenora-Rainy River district are not satisfied with the territory that has been alloted to us, and telegrams were sent to the Prime Minister at Ottawa shortly after the Redistribution bill went through. Some of the towns that had been included in the Kenora-Rainy River district for many years were cut off and put into the Port Arthur-Fort William territory, and now that they happen to have Conservative representation they are not at all happy.

Mr. MANION: The constituencies of which my hon. friend speaks have not had anything but Conservative representation for ten years.

Mr. JACOBS: I thought we had Union government for part of that time.

Mr. MANION: That was Conservative too.

Mr. HEENAN: I was wondering if that was the reason why my hon. friend (Mr. Manion) always answered when some hon. member called him the member for Rainy River. Now that those people have seen the light and have changed over from the representation they have had in the last ten years, I think northern Ontario should be redistributed in a proper manner. I agree with the hon. member for East Algoma (Mr. Nicholson) that there is a great deal of misunderstanding and hardship in connection with the redistribution in northern Ontario, but just because an hon. member brings in a bill to strengthen one particular portion of it, and deal with that alone will not be satisfactory to northern Ontario as a whole. Consequently I would like my suggestion to be accepted, that we appoint a committee to redistribute the whole of northern Ontario.

Mr. J. R. O'NEILL (North Timiskaming): The riding which I represent is affected physically, but not on the basis of population. I descry in the suggestion of the hon. member for Kenora-Rainy River (Mr. Heenan) an appeal for the administration of extreme unction in his case. He refers to the hon. member for Fort William (Mr. Manion) taking unto himself the honour of representing Rainy River, but I think there is a great deal more in this suggestion than meets the ear, and so I would oppose the suggestion of the hon. member for Kenora-Rainy River. I am in favour of the suggestion emanating from the hon. member for East Algoma, not that it affects my riding on the basis of population, but there is predominant in the minds of the people of that riding one idea, namely, that the redistribution of that territory constituted one of the crudest pieces of gerrymandering ever perpetrated in the political history of Canada. While that is a strong statement, and the hon. member for East Algoma was very generous in his suggestion in reference to the matter, I am rather inclined to think that if the situation were otherwise, hon. members on the opposite side of the House would be quite prepared to admit that something was radically wrong. The basis of revision may be in proportion to population at the present time, but the inaccessibility is such that it is practically impossible for the people represented there to reach their representatives without going out of their riding or out of the particular section of the country. For that reason I am prepared to favour the proposal coming from the hon. member for East Algoma.

Mr. G. B. NICHOLSON (East Algoma): I do not know whether this bill could be amended in the manner which the hon. member for Kenora-Rainy River (Mr. Heenan) has suggested, but I recall that I had a brief conversation with him in connection with the matter, and he said to me: "I hope you are not interfering with my riding." The hon. member will notice that this bill refers specifically to ridings east of his riding, and has no relation whatsoever to it. I am quite satisfied and other members with whom I have discussed the matter and who represent constituencies concerned, are quite satisfied to have the bill referred to the committee as suggested by the Minister of Justice (Mr. Lapointe) and the Prime Minister (Mr. Mackenzie King).

Mr. LAPOINTE: Of course that does not mean that we accept the principle.

Motion agreed to, and bill read the second time and referred to the committee on Privileges and Elections.

UNOPPOSED MOTION FOR PAPERS

RIGAUD POST OFFICE

Mr. DOUCET:

For a copy of all documents, correspondence, letters, declarations, and other papers, in connection with the investigation held by the investigating post office inspector in the charges brought against Mrs. George Seguin, Postmistress of Rigaud, Vaudreuil-Soulanges, Quebec.

EXPLOITATION OF LABOUR

INDUSTRIAL FREEDOM OF CONTRACT AND ACTION

Mr. A. W. NEILL (Comox-Alberni) moved:

That, in the opinion of this House, every effort should be made to affirm and establish the full industrial freedom of the citizens of Canada to bargain for their services on all industrial contracts and works; that the exploitation or conscription of labour should be prevented and condemned; that no person should be induced or compelled by undue influence, threats of dismissal, loss of wages or position or by any other unfair and improper means, to work for wages less than the standard or to engage in work which he has not agreed to do; that in all cases such wages as are generally accepted as current in each trade for competent workmen in the district where the work is carried out should be enforced and paid; and that this House will, so far as it is within the jurisdiction of parliament, endorse every reasonable and legtimate proposal to preserve such industrial freedom of contract and action, and will co-operate with the several provinces in these objects to provide for uniform legislation throughout Canada.

He said: Mr. Speaker, this resolution is really very simple, and one which I am sure will readily receive support from all sides of the House, although perhaps its length and somewhat involved wording might give a different idea. The underlying principle is very simple. I had to have it somewhat loosely drawn, and expressed in somewhat general terms, in order to bring it within the scope of discussion in this House, otherwise it would have been framed in very much more simple language. Despite its general language, however, this resolution seems to have already given offence in some quarters. I hold in my hand an editorial taken from a paper called The Gazette and presumably published in the city of Montreal, in which great offence is taken at this resolution. I have heard it said—I had no previous knowledge personally—that this paper is more or less devoted to what is known as the vested interests of Canada. If that is so, it certainly is anxious to prove its fidelity, because it is howling before anyone is hurt. I see featured at the head of this editorial the fact that the paper was founded in 1778, 148 years ago, and apparently the political ideas current and acceptable then still hold sway in the editorial offices of this paper to-day, 150 years later. The editorial is one long sneer, I might say, or one long attempt to be somewhat cheaply sarcastic at the expense of this resolution and of myself. I will leave out the personal allusions, which do not hurt me and will not interest this House. I notice repeated allusion in the editorial that they do not understand what the resolution means. If they do not understand what it means, why do they attack it? Why do they not wait until they get light on the subject; why devote a whole column of a so-called important paper in talking of what they do not know? It almost suggests to the onlooker the old fashioned idea that to the ignorant everything unknown is suspicious, and therefore must be attacked.

[Mr. Lapointe.]

I would just like to draw attention to one or two items; I would not think of delaying the House by reading all of it. The editorial says:

If he (Mr. Neill) is sincerely desirous of establishing industrial freedom, he will stop composing resolutions out of trades union catchwords.

And so on. I wonder what the really learned and capable King's Counsel who devoted a good deal of his time in drafting that resolution would say if he heard that his best success was a composition of trade union catchwords, whatever they may be. I do not think the editor would have used that language if he had known who really drafted that resolution. The ignorance displayed in the editorial is almost pitiable. It asks with fine sarcasm:

But when and how and where has labour in this country been conscripted?

I will show that presently, and to enlighten their ignorance I might say that it has been the law of the land for more than three years. Further they begin a discussion of the eight hour day; I do not know why, because it has nothing to do with my resolution. In putting up a man of straw in order to knock it down again, they say that no province of Canada has introduced the eight hour law. Poor, simple Gazette; they do not know that British Columbia has had that law on the statute books for several years. Again we find this gem, which is really worth consideration:

The individual workman has, and has always had, the abstract right to make the best of his market, to sell his labour upon fair terms or to withhold it.

Inferentially they imply "What more does he want?" I looked up in the dictionary the meaning of "abstract" and I find the word means "existing in the mind only; not con-

crete", so reading it with that meaning, the sentence would be:

> The individual workman has, and has always had, the right existing in the mind only, not concrete, to make the best of his market, to sell his labour upon fair terms or to withhold it.

That might have been good political dogma 148 years ago, but the editor of this paper should remember that times have changed, and that we must move with the world or be left very much behind. What was extreme radicalism a few years ago is now being accepted by many of the Conservative governments of the world, and rights which exist only in the imagination are no longer satisfactory to the great body of the working people, who are more intelligent than they were 148 years ago. So much for The Gazette, with its ancient fossilized doctrines.

I think I can express in twenty words the real meaning of what I wish to bring before the House in this resolution. I will leave out everything else, and just recite those twenty words, taken from the resolution:

> That the exploitation or conscription of labour should be prevented and condemned; that no person should be compelled to work for wages less than the standard. . . . .

That, and that only, is the underlying motive of the resolution which I am presenting to the House to-night. Before I deal particularly with the word "conscription", I wish to prevent any misunderstanding in regard to that word. I am not talking now of conscription in war time. So far as that kind of conscription is concerned, I am in favour of it, but I stand for conscription of all kinds; conscription of the millionaire as well as the pauper; conscription of capital as well as labour; conscription of the civilian at home as well as the man in the trenches, but I am not now talking about that kind of conscription of labour. I refer now to peace time conscription of labour. The Gazette wanted to know where and when and how labour was conscripted in peace time. If the editor of the Gazette will turn to chapter 93 of the Revised Statutes of British Columbia, 1924, he will find these words.

> Any officer or employee of the Forest branch may employ or summon the assistance of any male person between the ages of eighteen and sixty, except only trainmen, telegraphers, and despatchers on duty, doctors, and persons physically unfit—

They do not say anything about being mentally unfit.

> —for the purpose of controlling and extinguishing any fire, and the compensation for such voluntary or compulsory assistance shall be such as the Lieutenant-Governor in Council may provide.

They may take a judge from the bench or a member of parliament from his office and put him out to fight bush fires in the country. There is a rather serious penalty imposed of not less than $25 and not more than $100 in case of refusal to do so. That has been the law for the last three years.

Bush fires do not generally occur in towns, and consequently there is not much likelihood of professional and other people in urban centres being conscripted for fire-fighting purposes; the burden falls upon the country workers, and the remuneration that the government kindly accords them is 25 cents an hour, or $2 for an eight-hour day. That is not the current rate of wages in British Columbia. I have before me an announcement that the scale of wages for the lowest outdoor labouring class in the city of Vancouver shall in the future be $4.50 a day; I think before that it was $4 a day. The government therefore makes a cut of 56 per cent in what is the current rate of wages in the city of Vancouver when they compulsorily conscript men to go out and fight fires. Then again it is not the $3.50 or $4 or $4.50 men generally upon whom this obligation falls. Naturally being in the bush, it falls on men working in logging camps, such as trainmen, swampers and hook tenders, who get pretty high wages because they are engaged in dangerous and seasonal work which can be carried on only during a limited number of months each year. In the summertime they are laid off on account of danger from bush fires, and in the winter their operations are interrupted by heavy snow or rain; so when they are working, being highly skilled technical men, they get wages above the ordinary level, running from $5 to $9 a day. Suppose they are earning $6 a day, and are suddenly called off to work at $2 a day, that means a cut of 66 per cent. The Dominion government relieves itself of responsibility as regards its own employees by the fair wage resolution adopted by this House in July 1900, which was confirmed and made more effective by order in council in June 1922. We all know that this fair wage policy compels contractors and other employers to pay the current rate of wages for their particular trade in their particular locality.

Now, that is all I ask here, that when a man is taken against his will to fight bush fires he shall be paid the current rate of wages. Incidentally, I may say that this work almost invariably results in the destruction of his boots, and boots are costly in British Columbia. That, as I say, is all I suggest—these men should not be conscripted unless on the basis of their current rate of wages.

I am aware that this is not a matter in which this parliament can legislate, and that is why I have brought it up in this somewhat indefinite way. What I do want—

Mr. NICHOLSON: Before the hon. gentleman leaves that point, may I ask, for information, whether he advocates by his resolution that authority to conscript men to fight bush fires in case of serious fire hazards in newly settled countries shall be taken away?

Mr. NEILL: No, but I do not think men should be conscripted in times of peace at a compulsory wage fixed by the other party. They should be allowed an opportunity either to bargain for their wages, or in case of emergency they should be paid the standard wage that they are earning at their regular work. That is all I can ask this House to do. This being a matter of civil rights, I cannot ask that the provincial government shall be directed not to conscript labour for this purpose at less than the current rate of wages. I would only ask for expressions of opinion from the very able legal gentlemen on both sides of the House whether such legislation on the part of the local government is not really ultra vires. It would seem to me to be going beyond their jurisdiction. As far as civil rights are concerned, I am aware that it is within their jurisdiction.

Apart from that, I would ask this House to at least go as far as to express moral disapproval of this action on the part of a provincial government. If it is legal and right in one-ninth of Canada to conscript men to fight fires at a wage to be fixed by those doing the conscripting, then by following the same logic it might be pronounced equally right to conscript men to cut logs or to do some other work which in the opinion of the authorities was needed at a wage which they considered should be such and so. In other words, I would point out that if the House passes this resolution it commits us to nothing except the expression of a sort of moral disapproval of conscripting men in times of peace to fight fires at a rate of wages from 50 to 66 per cent below the current wages in the locality for that kind of work.

Hon. J. A. ROBB (Minister of Finance): There are some features of this resolution to which I take no exception whatever. But I notice in the first place my hon. friend says that the essence of his resolution is that the conscription of labour should be prevented and condemned, and if I followed him correctly, he finds some fault because in one of the provinces men are compelled to turn out and help fight bush fires. I cannot follow him that far. I think in times of such hazard the state must take some means to protect its property.

But there is another feature of his resolution which appeals to me:

> That no person should be induced or compelled by undue influence, threats of dismissal, loss of wages or position, or by any other unfair and improper means, to work for wages less than the standard or to engage in work which he has not agreed to do.

I find myself in sympathy with that part of the resolution to a certain degree because I have observed during a residence of some years in an industrial town and while going about the country in the recent general election that in certain industries notices sometimes are posted warning the employees that unless they voted in a particular way they will lose their position the day after the election. It seems to me that every hon. member, no matter what party he supports, should repudiate such oppressive tactics on the part of large corporations. I do not mean to say that this applies particularly to federal elections. I have observed it even in municipal elections, when certain corporations were looking for concessions from the municipality.

9 p.m.

So having that in mind, I am prepared to accept the resolution, for it covers an abuse that, it seems to me, should be corrected.

Mr. E. B. RYCKMAN (East Toronto): Mr. Speaker, I have read this resolution for the first time, to-night. The hon. member for Comox-Alberni (Mr. Neill) has told us that a learned king's counsel drew it. I would like to know his name, because I think he was somewhat of a wag—that he tried to make fun of the hon. member. This resolution does not deal with matters within the competence of this parliament; it deals with matters within the competence of the provincial legislatures. Anything that the hon. member for Comox-Alberni has said has related to a provincial statute, and the gravamen of the charge made by the hon. member is that in case of a conflagration endangering the safety of property, men should be allowed to stand idly by and not serve unless they have the dollars and cents passed over the counter to them. I am reminded of those ladies who were in a seminary which was burning up. It being after six o'clock at night when the firemen came up the ladders to rescue them, they declined to be rescued unless the firemen were in evening dress. Such is the effect of this resolution. I maintain, Mr. Speaker, that unless there is something that this august body has well within its competence it should not deal or attempt to deal with something that, notwithstanding

what the Minister of Finance (Mr. Robb) has said, is altogether outside the jurisdiction of this parliament.

Mr. G. B. NICHOLSON (East Algoma): I have no objection whatsoever to the principle of this resolution, if there is a principle, but I do object to the affirmation of a principle condemning something that does not exist. As one who has had a life's experience in dealing with labour and workingmen's problems I say at once that in the province of Ontario at least and the parts of Canada in which I have had experience, no such condition exists. Men cannot be conscripted for ordinary labour against their will, nor can they be forced to accept wages that do not suit them.

With relation to the matter of fighting fires, let me just give you an illustration. We have had some harrowing experiences in recent years in the matter of fires in the part of Canada from which I come. Just recall, if you will, the fire at Haileybury, where about two o'clock in the afternoon a fire swept across the forest and wiped out that town completely. Would you say that the authorities of the town of Haileybury, or the provincial authorities represented there, should have to wait and start to bargain with people when they need their help to go and rescue the women and children whose homes were being devastated? That is what is involved in this resolution. So far as conscripting workingmen, and not the professional and business men, is concerned, again I say that no such condition exists. If you go back to the fires in Timmins, Englehart and Cochrane, when those towns were being wiped out it was the business men, the doctors, the lawyers, the clergymen, the railway officials and every other man who could go who went to the assistance of these people.

Mr. NEILL: Were they conscripted?

Mr. NICHOLSON: Those who were unwilling were conscripted. The provincial government of Ontario places in the hands of those who are responsible for looking after fires in the north country authority to conscript men. The fire inspector has authority to come along to any man's plant, and take the superintendent of the sawmill, for instance, or the superintendent of a pulp mill and all his men, tie the whole plant up, and take the men to go and fight the fire. They do not, as my hon. friend says, pay them an arbitrary rate of wages of $2.50 a day. Not at all. The fire superintendent or the man in charge of the fire fighting forces of the provincial government has authority to pay these men what they are worth and what they earn, and they pay extra money for this hazardous work. Why should we in this House of Commons pass a resolution that implies they are not doing that? That is the objection I have.

In so far as giving any man the freedom to bargain for any rate of wages he wishes to get, that is the recognized principle all over this country. There is no such thing as conscription of labour, nor is any effort made to hinder men from bargaining and getting everything they possibly can for their labour. That is recognized as their right; it has been so, and it will continue to be so. But do not let us place a stigma on the provincial authorities of a province just because certain conditions might obtain in some other province. If such conditions prevail elsewhere, then deal with the provincial authorities in that province.

Right Hon. W. L. MACKENZIE KING (Prime Minister): The emphasis which is being laid in this discussion on one particular phrase, not to say word, in the resolution which the hon. member for Comox-Alberni (Mr. Neill) has presented, is I fear directing attention away from the main purpose of the resolution. So far as there has been adverse criticism of what the hon. member has proposed, it has been to his including in his resolution the word "conscription," and the conscription of labour referred to has been restricted to conscription in cases of fire. The hon. member has made his meaning quite clear. When he used the words "exploitation or conscription," what he evidently intended to convey by the alternative word "conscription" was neither more nor less than what is conveyed by the word "exploitation;" and I would suggest to him, if that is what is in his mind, that it might remove any difference of view that the House may have on the essential parts of the resolution if he dropped the word "conscription" altogether, and just let that part of his resolution read "the exploitation of labour should be prevented and condemned."

I say this because I think the resolution itself is an important one and should be adopted by this House. It contains two or three fundamental principles on which all hon. members will, I trust, be prepared to agree. The first is a statement of the principle of freedom of contract and bargaining in the relations of capital and labour. That is a principle for which men have had to fight many industrial battles in the past, but which, happily, to-day is coming to be recognized as a principle which should be generally accepted. I venture to say there is not a member of this House who would stand up

in his place and say that he did not think it was in the interests of the community, as well as in the interests of capital and labour, that there should be the greatest freedom of bargaining in the making of contracts between the two great parties to industrial contracts.

Mr. RYCKMAN: If the resolution is carried, will the Prime Minister bring in a bill embodying its terms?

Mr. MACKENZIE KING: If my hon. friend will be satisfied with half a loaf, instead of asking at once for a whole loaf, more progress will perhaps be made towards achieving what my hon. friend has in view. I take it that the view of the hon. member is this: In industrial questions, public opinion in the long run is more effective in achieving the object that is to be desired than mere legislation; that, after all, it is public opinion that will determine whether or not industrial laws will be respected. It is not the number of measures there may be on the statutes; it is rather the extent to which communities recognize that public sentiment is in accord with particular views.

My hon. friend has expressed two or three views here which it seems to me this parliament would do a national service in endorsing. One is the view already mentioned that there should be freedom of bargaining between capital and labour in the matter of industrial contracts. The second is that there should be no exploitation of labour, a term which I think is generally understood to mean the sweating of labour, employing labour under unfair conditions. The hon. member for East Algoma (Mr. Nicholson) has said that there is nothing of the kind in Ontario. I wish that could be said truly. I think there is less of it at present than there has been at any time heretofore, but I venture to say that all of the provinces of this Dominion present instances where labour is being sweated in a manner which I am sure all hon. members would do their utmost to stop if it were brought to their knowledge and attention. If this parliament expresses its view against the exploiting or the sweating of labour, public opinion formed on the basis of our expression of view may go far towards meeting the very object the hon. member has in mind in moving this resolution. The suppression of sweating is the second principle for which the resolution stands.

The third principle that my hon. friend affirms in his resolution is that of fair wages in contracts. He uses the phrase:

> That the wages should be those that are generally accepted as current in each trade for a competent workman in the district where the work is carried out.

[Mr. Mackenzie King.]

Now that phrase, as I recognize it, is one that has been in the public contracts of the federal government for the last twenty-five years. It was I think in 1900 that what is spoken of as "the fair wages resolution" was first introduced into this parliament. Since that time public contracts, whether they related to public works or to the making of uniforms for post office officials or for the militia, or any other form of public contract work—have contained clauses to prevent the sweating of labour and to secure for the labour engaged on these contracts the payment of wages at fair rates and the carrying out of the work under proper conditions. This House has already adopted a fair wages resolution, a resolution using the very language we are now asked to affirm. I might add that the resolution adopted originally by this House has in substance been adopted since by most if not all the legislatures of Canada with respect to the public contracts of the provinces. There is reason to believe that the resolution of this parliament has been copied by other countries as well. It is the power of example that my hon. friend is seeking to have exerted.

That brings me to the fourth point which my hon. friend mentions in his resolution, namely the importance of co-operation between the several provinces in order to secure uniform legislation throughout Canada. I might mention that, within the past four years, if I am not mistaken, we have already held a conference of the provinces under federal auspices to effect that very purpose. I believe that uniformity of industrial standards is one of the most important objects to be attained by legislation. In Canada it should be our aim to bring about, if at all possible, uniformity of legislation among the several provinces. It is important for this reason: if there is not uniformity it very often happens that the particular province that has higher standards in labour ultimately loses in consequence of the lower standards that exist in other provinces. The higher standard is undermined by the lower to the disadvantage of the particular industry which may be enjoying the highest standard. I remember some years ago looking into the question of sweating in industry, I found that in some of the American states where the clothing industry was carried on, that as one state raised its standards of legislation with respect to fair working conditions the labour employed in that industry was gradually supplanted by labour enjoying a lower standard in another state, and the state that was really seeking to preserve a high standard of labour was losing its industries.

as a consequence. Now the only way in which that sort of thing can be prevented is that there shall be like industrial standards over areas of effective competition however wide they may be. The League of Nations has seen the importance of that principle and has laid down in its labour clauses as an object to be aimed at the establishment of uniformity of industrial conditions not only as between the provinces of any one country but as between the different countries of the world; and I really believe it is a fact that until in some way the standards are made equal in the different countries, those countries that have higher standards are going to some extent to be handicapped in virtue of those very higher standards they have adopted.

I can perhaps illustrate what I mean by referring to what is known as "Gresham's law of the precious metals". It was discovered many years ago, in relation to matters of currency, that where there were the two metals in circulation, the baser metal tended to drive the better out of circulation, the coins made of metal of finer quality were hoarded or else were melted down and the metal used in the fine arts, and the coins made of the baser metal gradually replaced them in circulation. I believe that the so-called law of competing standards as applied to the precious metals is equally applicable in the matter of competing standards in industry, that where you have a lower industrial standard and a higher industrial standard competing with each other, the former tends to undermine the latter; the industry that is run on the lower standard will effectively and prejudicially embarrass that industry which seeks to support higher standards.

I believe speaking generally there is no country in the world that enjoys higher standards of industry than our own. From the national point of view, I believe there is everything to be said in favour of a resolution that will help to convey to the world the knowledge that the parliament of Canada supports the broad principle of uniformity of legislation with respect to fair wages with respect to conditions in industrial contracts, with respect to freedom from exploitation and with respect to freedom in industrial bargaining. For that reason, for the moral support that parliament is able to give these great principles, I hope the House will adopt the resolution.

Mr. NICHOLSON: Before the right hon. gentleman concludes, will he permit me to ask one question: Does he know of any part of Canada where a condition prevails under which freedom of bargaining is denied to workingmen? If he does not, does he think it is fair to the workingmen themselves or to organized labour or to industry in this country, that a resolution should go out from the parliament of Canada implying that there does exist a condition by which the workingmen can be exploited in the manner indicated in this resolution against their own will?

Mr. MACKENZIE KING: I think we will have to strain the meaning of the resolution a good deal in order to interpret it as a reflection on Canada. As I read the motion it says that every effort shall be made to affirm a certain principle. To my mind that would imply that the principle is more or less assented to and that we want to affirm it. That is my reading of what the resolution means rather than the view expressed by the hon. gentleman.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I have very little to say on the resolution itself. In so far as its specific terms go, were it a matter within our own competence I do not know that I would take any exception at all. It is all very true that the resolution says there shall be no conscription of labour, and that the member who moves the resolution in his interpretation of it himself declared that that should apply even to cases of extraordinary emergency such as a conscription to fight fire. The reading of the resolution itself does not necessarily embrace such a case at all, and I think the hon. member was poorly advised in going so far as to assert that he would strain his own words to the extent of saying that in the case of a great conflagration he would not have legislation on the statute book compelling the compulsory combating of that conflagration. He did make an exception in the case of war. He said that in case of peace he would have no conscription of labour but in case of war it would be different. Well, the conflagration is precisely of the same character; it is because it is of the same character that sometimes it becomes essential to resort to the same means. The reason is only too evident. It is because there can be no possibility of consideration or of bargaining on the one hand that it cannot be allowed on the other. The time does not permit of it; you cannot have it. Consequently the duty of the moment must be performed. All other rights must be submerged. As to the remuneration, that is a minor question. Something is to be said for a remuneration, something below the standard in a case of that kind. Nothing has been said in support of it, although I think something could have been. But it is not akin to the resolution, so I pass it by.

But the comment I want to make is this: Has the resolution any place in this parliament, and if so, does it become the government to pass its blessing upon it? I do not say that we have nothing at all to do with the question as to the fairness of wages. We have a little. We have to do with it only in so far as we employ the workers ourselves, in so far as we, the government, or we the parliament, in the case of our employees throughout the country can, directly or indirectly, influence contractors entering into engagements with us. To that extent we must take into consideration this principle regarding fairness to the wage earner. But the hon. member admits we have done that, and the whole House admits we have done it. Consequently there is no cause for castigation, there is no cause for any didactic resolutions or lectures; we are living up to the spirit of the law which the hon. member himself conceives to be right. So there is no reason for a resolution on that score. That is all we have to do with it. Over and beyond that, it is a matter for the provincial legislatures only. It is only within their jurisdiction. That is not a matter of dispute, for we all know it. Does it become this parliament to pass resolutions dictating to the provincial legislatures what kind of legislation they shall pass? Does the hon. member really think so? I do not think it does. The constitution of this country gives plenary powers to both sets of legislatures. The provinces are just as original in their jurisdiction as are we. Their powers are just as ample and just as plenary. We do not give them their powers; we cannot subtract from them. They are supreme in their own field just as we are supreme in ours. Have we no better task than to be entering upon their sphere of consideration, lending them a little of our wisdom and advising them what they ought to do? Is it dignified conduct? Does it become and befit the parliament of Canada? I suppose we could plead that they have offended in the same way. I know it was a very common practice of the legislatures of the prairie provinces to pass resolutions on the tariff, telling us what they wanted and what we ought to do here in the way of low tariff and no tariff. Hon. members were a whole lot freer in expressing themselves and putting themselves on record out there than they are when they get to the parliament of Canada. But they never achieved anything by it except perhaps a little local popularity. They were engaged in an exercise which could not be said to be worthy of a member of a local legislative assembly.

Mr. NEILL: Do these resolutions passed by the local legislatures not influence public sentiment, not only among the people of Canada as a whole, but also in this parliament and government?

Mr. MEIGHEN: I am quite free to say they do not influence any public sentiment that I notice, and I do not think they were ever intended to influence public sentiment—never for a moment. The public sentiment they felt was there and they catered to it. The resolutions were passed for the purpose of adding an increment to the popularity of the members voting for them, and if possible making difficult the course of those in this parliament who felt it their duty to vote otherwise. In a word their purpose was mischievous and nothing but mischievous. Nor were the legislatures of the west alone in this respect. There have been others in our country who have spent their time saying, in the quiet and safety of their own small realm, what ought to be done here, where there was virtually no opposition, where it was an easy task. It has been done in British Columbia. It has been done I think, even in Ontario, but I never knew any object served that was worthy the attention of a member of the House or worthy of his objection, and I do not like to see this parliament launching upon the consideration of that mischievous procedure. I think we would do well to frown upon that resolution with which we have nothing to do ourselves. We would do well to confine ourselves within the ambit of our own jurisdiction. We have enough to attend to here. The legislatures of the provinces can attend to their duties far better without recommendations from us as to how they should attend to them.

I was most interested in the question put by the hon. member for East Algoma (Mr. Nicholson). He asked the Prime Minister if he knew of any place where the situation sought to be redressed by this amendment really existed; where there was, for example, exploitation of labour; where there was not freedom of contract. And what was the answer? The Prime Minister said: "No, we have lived up to these things in Canada and this is merely to confirm what we have done." In a word, things are all right in this country, and let us by the resolution pass our blessing upon the people of Canada for having done what is right in a sphere in which we have nothing to do. For my part I have no exception at all to take to the resolution itself, but I do not think it is necessary, so far as I know, conditions do not call for it. But above and beyond that, I am opposed to the practice, and do not want to encourage it and cannot support it—the government can do

much to stop it, but I cannot—of having this House, merely for the sake of some individual advantage, perhaps, to a member, go into a sphere to which we do not belong and seek to perform duties which the constitution has assigned to others.

Mr. NEILL: I have much pleasure in accepting the recommendation—

Mr. SPEAKER: If the hon. member replies now, the debate will be closed.

Mr. J. K. FLEMMING (Victoria-Carleton): I cannot see that it is necessary for parliament to express its opinion on this resolution. The resolution says:

That, in the opinion of this House, every effort should be made to affirm and establish the full industrial freedom of the citizens of Canada—

Everbody approves of that.

—to bargain for their services on all industrial contracts and works; that the exploitation or conscription of labour should be prevented and condemned; that no person should be induced or compelled—

These are the words I object to.

—that no person should be induced or compelled by undue influence, threats of dismissal, loss of wages or position or by any other unfair and improper means, to work for wages less than the standard or to engage in work which he has not agreed to do.

In New Brunswick we had a law framed to try to fight against the awful destruction which has come to that province, as I think it has come to the other provinces, by forest fires. Under the law of that province the fire warden has the right, when there is a fire and he has been notified, to summon the number of men necessary, to rush as rapidly as possible to the scene of the fire, and if possible prevent the destruction of the forest wealth. I am sure every hon. member of this House realizes that a great deal of destruction has unfortunately come to our forests on account of fire, and it seems to me that it parliament passed this resolution we would be saying to the legislatures of the provinces, "We do not view with favour your legislation to provide for the putting out of forest fires as rapidly as possible, legislation which gives the fire warden power to take the necessary number to grapple with a dangerous fire."

Three years ago we had a most disastrous forest fire in New Brunswick. Every effort was made to stay that conflagration, and it was limited to a smaller area than it would have been had we not had an effective law to compel men to do work they had not agreed to do, namely to fight the fire and if possible prevent great loss to the country. I know myself of cases where by quick action on the part of the warden in summoning fifteen, twenty or twenty-five men to fight fires resulted within one day, or perhaps within a few hours, in averting a disaster that would have cost the country twenty-five, fifty or a hundred thousand dollars. I do not like the idea of this parliament passing a resolution which will say that that is not the right kind of legislation for a legislature to enact. If there is anything under heaven that we in this country should try to do, it is to save the forest. There is great forest wealth in this country and anything we can do to save the young and growing trees, which are the means of giving employment to the people and producing wealth, is worthy of the consideration of parliament. I want to see nothing done either by implication or by suggestion to limit the power of the province to pass such legislation as in its judgment may be in the public interest and may help to conserve the forest wealth of this country.

Mr. H. C. HOCKEN (Toronto West Centre): My objection to this resolution is its absolute futility. It does not mean anything at all.

Mr. ROBB: The same as the resolution we had this afternoon.

Mr. MANION: It was not futile.

Mr. HOCKEN: I was discussing this resolution which reads:

That no person should be induced or compelled by undue influence, threats of dismissal, loss of wages or position or by any other unfair and improper means, to work for wages less than the standard.

I presume my hon. friend means union wages. What is the standard wage?

Mr. NEILL: The standard wage current for that class of work in that district.

Mr. HOCKEN: There may be several standard wage scales in the district. I am one of those who believe in paying union wages. I think the workmen of this country are well able to take care of themselves in that respect, but this resolution would say to a man who is not competent: You cannot lose your job; you must be paid the standard wage paid for competent workmen even though you are incompetent. That is entirely within the terms of this resolution and it is an absolute absurdity. No man will do that; no union insists upon that. This to my mind is simply a piece of flim-flam, probably for the constituents of my hon. friend. If he wants to do something for labour surely he can find some better means than the placing of a futile resolution of this character on the order paper. Neither this nor any

other parliament can force the carrying out of such a resolution. If a man does not want to employ one who he thinks is not competent, he does not employ him and there is no power in this parliament to compel him to employ him. It would be absurd if parliament should have such a power. While I am in sympathy with paying reasonable wages to men who work, and with preventing anything in the shape of coercion upon them, as one who appreciates the principles of trade unionism, I could not support a resolution like this.

Mr. A. W. NEILL (Comox-Alberni): Mr. Speaker, I have pleasure in accepting the suggestion of the Prime Minister (Mr. Mackenzie King) and with the consent of my seconder, I would delete the two words "or conscription" in the fourth line. That I think will meet all the major objections which have been raised against this resolution.

As regards the remarks of the leader of the opposition (Mr. Meighen), his legal mind immediately flies to the legal aspect of the matter. I am sorry he did not see something a little beyond that, and I am particularly sorry he ended his remarks with the suggestion that it would possibly enure to the individual advantage of some member. I do not think that suggestion is worthy of him or worthy of myself. I should like to see him rise to a height above the legal point of view—I am quite aware that this House at this present moment cannot legislate in this matter over the provinces; but there is such a thing, despise it as we may or ignore it as we like, as public sentiment, and when this House of parliament, which is the highest court of appeal, so to speak, in Canada, expresses itself such and so, it is liable to have a considerable effect on the legislatures and hon. members composing the governments of the different provinces. Public sentiment is an intangible invisible thing, but it is a very vital thing in many respects, and I was asking from the moral point of view only the support, the endorsation, of this House, expressing its opinion that such a thing is not desirable—that and no more.

The leader of the opposition cited a case of provinces passing what I suppose he might call political resolutions in order to give themselves credit in the province, or perhaps to embarrass the government at Ottawa that happened to be of an opposite political complexion. But it is on record that British Columbia, the province with which I am most familiar, has passed resolutions notably on the Asiatic question, urging this government, which was of the same political colour as itself, to take steps towards restriction regardless of whether such action would embarrass the government at Ottawa or not. Having been challenged to cite a case of its ever having been effected, I would like to cite that same case of Chinese exclusion. Beginning with the Chinese and going on with the Japanese, British Columbia has been fighting for twenty years passing resolutions regardless of whether they embarrassed its friends here or not. It was rightly considered that when those provincial members unanimously passed a resolution of that character, they represented the concrete consensus of public sentiment in British Columbia, and it was so regarded here. In course of time this led to a poll tax of one hundred dollars being imposed by Sir Wilfrid Laurier. Sentiment still continued to be expressed that that was not sufficient or effective, and this led to a poll tax of five hundred dollars being imposed. Time went on and these representations continued to be poured in. It did not matter whether it was the parish council or the city council or the legislature; they were the units and they sent resolutions to Ottawa in order to focus the attention of politicians here on what was needed in British Columbia. This led to the "gentleman's agreement."

Mr. MEIGHEN: Does the hon. member not see a very great distinction between the representation of a local viewpoint on a matter within our jurisdiction, and the passing of a resolution on a general principle, on a matter wholly within the juridiction of others?

Mr. NEILL: The point is well taken, but it is taken as against my right hon. friend, because it was he who introduced the illustration of legislatures passing resolutions.

Mr. MEIGHEN: On the tariff. That is wholly different from passing a resolution on a local condition such as Chinese immigration.

Mr. NEILL: Is the tariff not a local condition?

Mr. MEIGHEN: Not at all—Dominion.

Mr. NEILL: A tariff often is an extremely local condition in some respects. As regards the other members who spoke, most of them, so far as I could make out, came from the city of Toronto, and most of them appeared to be hampered by the fact that they had not heard my opening remarks, because nearly every one of them challenged me to cite a case where such a condition existed. I did cite such a case. It is the law of British Columbia that a man can be conscripted to

go out and fight fires at twenty-five cents an hour, or any less wage they like to give. It is that feature of the matter to which I object. An hon. member referred to the particular case of a man being called out to fight fires for the sake of saving life, and haggling about the pay before he would start. The hon. member for East Algoma (Mr. Nicholson) need not worry about conditions like that. Canadians do not do those things; when the case is one of saving life, they will not haggle, they will go out even if they have to work for nothing. This is not a case like that; it is a case, as one hon. member opposite said, of saving thousands or millions of dollars worth of property by prompt action. If it is going to save some lumber companies millions of dollars in timber, surely they can afford to pay the standard wage to those doing it. But that is a very different thing from the question of human life being endangered. The hon. member for East Algoma (Mr. Nicholson) said there was nothing like conscription in Ontario. He went on to say that there was conscription, but that the conscripts were paid what they were worth. Is there not such a thing as conscription in the sweatshops of Toronto? I think the hon. member will find there is a worse kind of conscription, economic conscription, there. He says that in fighting fires men can be compelled to go, but they must be paid what they are worth. More power to him and more power to Ontario; I only want the hon. member to say that Ontario is right and British Columbia is wrong. Let us say, academic though it may be, that it is not right to do so and so, that something else should be done. One of the hon. members for Toronto challenged the Premier to say whether or not he would bring in a bill if this resolution passed. We all know that that cannot be done, but let us try moral suasion, and if that fails perhaps by co-operation with the provinces, when they have been educated to it, it will be possible to bring in a bill of that kind. I ask the House to remember that it is not altogether this particular thing which we must face, but what it may lead up to, and I particularly suggest that the Labour members should consider that. If it is right and legal to force a man to put out a bush fire which is not within fifty miles of a town and which is not endangering the life of anyone except himself, then when we need anything else people may be forced to supply the labour at a wage which the government will establish. There is a danger there, and it is that danger against which I want to guard. One hon. member opposite said in his second sentence that he thought the resolution was all wrong, and in his first sentence he explained why he thought it was all wrong, when he said he had not read it. Perhaps if he will read it with a little care he will not have the same contempt for it. Perhaps his mind is not able to readily assimilate a resolution of this kind without some study. The hon. member also wanted to know who had drawn it up. If he wishes the services of the gentleman who did it, I will be happy to furnish him with the name privately. With the consent of my seconder, I agree that the two words "or conscription" be deleted from the resolution.

Motion, as amended, agreed to.

MARKING OF EGGS

PROPOSED APPLICATION TO DOMINION OF BRITISH COLUMBIA ACT

Mr. A. W. NEILL (Comox-Alberni) moved:

That, in the opinion of this House, it is desirable that the Eggs Marks Act of British Columbia should be made applicable to the Dominion of Canada as a whole.

He said: Mr. Speaker, I am sure this resolution is in every respect the antithesis of the one we have just considered. It is short; it is simple; it is within our jurisdiction, and I think it will be acceptable to everyone. I might briefly explain how the need arises. There has been a continual feeling in British Columbia and no doubt in Ontario as well that the poultry farmers are not getting a square deal, owing to the importation of American eggs. That leads one to the suggestion that there should be an increased duty on American eggs. As that is not the basis of this resolution, I am just alluding to it in passing.

Some months ago there was a meeting held at a place called Duncan in the riding of the hon. member for Nanaimo (Mr. Dickie), which was attended by representatives of practically all the poultrymen of British Columbia. I may explain that the poultry industry in British Columbia is entirely different to that of any other province, inasmuch as it is a specialized business. There it is not a case of having a few hens running around the farm machinery, nor is it a case where you can say to a man, "Eggs are not selling well; you had better go in for cows." You cannot do that when you have only five acres of land absolutely unsuited for anything else. Consequently they go in for specialized hen farms, with five or ten acres of land on which they keep from two to five thousand hens. It is useless to say to them that they should grow cucumbers or raise pigs, because the land is unsuited to that. At this meeting a number of resolutions were passed; one asked for an increased duty on eggs coming from the United

States; another asked that there be no material change in the egg grading regulations; a third resolution dealt with Australian eggs, and asked that they be not allowed to come in under the definition of "fresh", while the last resolution was that which I just read. They asked that the Eggs Marks Act of British Columbia be made applicable to the Dominion as a whole.

I may explain briefly what the act is. It was passed in 1923, and I need not quote it; in effect it states that every imported egg sold in British Columbia or offered for sale shall have the country of origin stamped on each individual egg. That is, there must be a stamp stating that it comes from the country of origin. An egg from the United States would be marked "U.S."; an egg from China would be marked "China". That act was introduced three years ago, and I am advised that it has been exceedingly successful.

Mr. SUTHERLAND (South Oxford): Might I ask my hon. friend if that applies to all countries, or only to China?

Mr. NEILL: The section is as follows:

> Every egg dealer who keeps or has in his possession or under his control any eggs which have been imported into the Dominion, and which have not been marked, shall mark each egg with the words "Produce of", followed by the name of the country of origin of the egg.

It applies to every country outside of Canada. The result is, as I am advised by this association, that it has been of great assistance in preventing the importation of foreign eggs. Further, I am advised by the association as follows:

> It is a well known fact in the business that the consumer is suspicious of a marked egg. About fifteen years ago this association placed its eggs on the market with a special stamp giving the name of the association and the producer's number, but it was found that occasionally a retail grocer would carry eggs in stock thus marked for some weeks and some consumer would purchase a dozen of these stale eggs and forever forswear anything with the Cowichan Creamery stamp on it. We know of one firm of distributors in Vancouver that made an attempt to bring marked eggs before the public, and for the same reason gave up in disgust.

The idea, of course, is that a man might import perfectly fresh eggs from the United States; he might put them at the back of the bin and put eggs received later in front, and in that way the eggs first received might become more or less stale. Then when a consumer buys an egg marked "U.S." or whatever it might be and does not like it, he tells his wife not to buy any more of that kind. Then there is another idea, that when an egg is marked as being from a foreign country, the suggestion is that it might possibly not be fresh, coming from that distance. People do not stop to consider whether "U.S." means the state of Washington or the state of California. Also, it is possible that some vague spirit of patriotism stirs the man at his breakfast and he says to his wife, "Get local eggs if you can; I see these are imported."

Mr. EDWARDS (Frontenac): Is the marking to be done by the dealer?

Mr. NEILL: He can buy them marked if he likes, or he can mark them, but he must not expose them for sale unmarked.

Mr. EDWARDS (Frontenac): If they come in from the United States they are unmarked.

Mr. NEILL: They might or might not be marked.

Mr. EDWARDS (Frontenac): There is no law in the United States compelling the marking of eggs, so I presume they would come in from there unmarked.

Mr. NEILL: Possibly.

Mr. EDWARDS (Frontenac): Then it would be up to the dealer in British Columbia to mark those eggs before selling them?

Mr. NEILL: Or else he would have to stipulate with the man from whom he was buying the eggs to mark them. But that phase need not worry the hon. gentleman, because that is an inexpensive operation.

Mr. FORKE: Suppose the eggs come in unmarked, and they are exposed for sale, who is to tell that they are not local eggs?

Mr. NEILL: If the person offering them for sale fails to mark them he becomes subject to a fine.

Mr. FORKE: How do you find it out?

Mr. NEILL: The eggs are checked at the port of entry. There is no trouble about that. Perhaps my hon. friend thought it was going to increase the cost to the consumer, but this cost would be negligible.

Mr. EDWARDS (Frontenac): No, I appreciated the difficulty which I think occurred to the mind of the hon. member for Brandon (Mr. Forke).

Mr. NEILL: I will deal with that again later. Discussing for the moment the cost of marking these eggs, this association says that to mark eggs arriving in this country in accordance with the act would not cost more than one cent a dozen. So the cost to the

consumer would be negligible. The association adds:

Since the act went into force in British Columbia, eggs imported from Washington are seldom sold in British Columbia, being generally bought for re-shipment elsewhere.

They do not appear to have found any trouble in British Columbia. There is a penalty provided in the act for anyone who exposes eggs for sale that are not so marked:

Anyone who violates any of the provisions of this act is liable to a fine not exceeding $100.

This is something practical; it, has been in existence in British Columbia for three years and has been a pronounced success. There are no complaints from the consumer. The legislation has not raised the cost of eggs to him, but it has raised their quality, and he likes it. He buys more eggs now, the consumption in British Columbia having gone up considerably. It does not hurt the dealer, for he passes on the cost—and it is trifling. But it helps the producer because it tends to keep out foreign eggs. My hon. friends opposite, who are such enthusiastic exponents of protection, will kindly take notice that this is a form of protection without increasing the cost to the consumer of the commodity protected, and yet it is claimed that such legislation will materially benefit the producer for it gives his eggs a preference over the American. Their surplus is largely shipped over here, and our producers have to meet that competition.

If any further explanation is desired I shall be happy to furnish it when I close the debate. This is fundamental: The policy has been a success in British Columbia; it is not going to cost anybody anything; and it will help the struggling poultry interest not only in that province but here as well.

Mr. EDWARDS (Frontenac): Have there been any convictions in British Columbia for infractions of the law?

Mr. NEILL: I do not know, but they say it has been successfully enforced.

Hon. W. R. MOTHERWELL (Minister of Agriculture): Mr. Speaker, so far as the Eggs Marks Act of British Columbia may come under federal jurisdiction, I think there is no objection to the resolution. For the last eight or ten years every egg-exporting country has been making commendable efforts to improve the quality of its product. In Canada the first effort I recall was during the war—I think part of the time under the old Canada Food Board—with good results; but that applied only I think to export eggs. This resolution is restricted to imported eggs, and the main purpose is that of identifying the country of origin, so that the source of all imported eggs will be known, this information appearing on the egg itself, on the container, and on a placard to be displayed where the eggs are retailed. Having regard, however, to the fact that some of the regulations we introduced three years ago are not yet sufficiently known to warrant any change—it is generally accepted that any regulation should be in force for two or three years at least to give it a fair trial—it is not the intention of the government to make any changes in those regulations until another year has elapsed.

With that understanding, and with the further understanding that we would not incorporate any provincial law inconsistent with federal jurisdiction, there can be no objection to this resolution going through.

Mr. DONALD SUTHERLAND (South Oxford): Mr. Speaker, I am glad to hear the minister say there is no objection to the resolution passing, but I should like to call the attention of the House to the resolution itself:

That, in the opinion of this House, it is desirable that the Eggs Marks Act of British Columbia should be made applicable to the Dominion of Canada as a whole.

Now, I have a copy of the British Columbia act respecting the marking of eggs, passed by the legislature of that province on December 21, 1923, and I find it applies practically solely to eggs imported from China. I do not think it applies to eggs imported from the United States, Australia or New Zealand.

Mr. NEILL: Will the hon. member allow me to direct his attention to section 3 of the act? It is quite plain that this meets his objection. I have already read it.

Mr. SUTHERLAND (South Oxford): Section 5 of the act pays particular attention to eggs imported from China.

Mr. NEILL: I am talking about section 3.

Mr. SUTHERLAND (South Oxford): Section 5, subsection 1, provides:

Every person being the proprietor of any manufactory, bakery, confectionery, hotel, restaurant, cafe, tea room, or any place or shop where any Chinese eggs are exposed or offered for sale, or used in the preparation of any goods, wares or merchandise, or used in the preparation of any food exposed or offered for sale or served for meals, shall place a legible sign in some conspicuous place where all persons entering his place of business can readily see the same, upon which is marked in letters not less than four inches high the words, "Chinese eggs used here" or, "Chinese eggs sold here", as the case may be.

Now, there is no reference there to the importation of eggs from the United States or from Hong Kong. A great many more

eggs arrive here from Hong Kong than from China, and I do not know that there is any great difference between the eggs coming from those two sources.

Mr. NEILL: Will the hon. member allow me to explain? I do not think he caught my remarks. If he looks at section 3 of the act which he has in his hand he will find that the importation of eggs from any place outside Canada is fully covered. Section 5 deals only with Chinese eggs.

Mr. SUTHERLAND (South Oxford): I was directing attention to something that my hon. friend neglected to point out to the House when he was dealing with the resolution, that is, the particular pains taken to make it appear that eggs from China are being used in the restaurants of this country, and that no such pains are taken with respect to eggs from Hong Kong. Now, a great many more eggs arrive from Hong Kong than from China. I fail to see why a distinction should be made between eggs from those two sources. I might refer to subsection of section 5 of the British Columbia act. Apparently in British Columbia there is a very strong feeling against anything imported from China. If my hon. friend is so anxious to prevent unfair competition from other countries, I think he should be equally eager to see that the poultry raisers of British Columbia are protected from that great country to the south just as much as from Hong Kong, China, and any other country.

I have here figures of the importation of eggs from the United States, and they show that during the three weeks of February some 820,000 dozen eggs were imported into Canada from the United States. The British Columbia Act provides against the importation of eggs only from China; why single out China? Section 5 of the British Columbia Act mentions nothing except the importation of eggs from China. It is true, as my hon. friend has pointed out, that under section 3 of that act the eggs have to be marked. In restaurants where eggs are used in the making of pastries and other things of that kind a card has to be exhibited showing that the eggs used are from China, if that is where they are from. Why not exercise equal vigilance with regard to eggs from the United States or any other country? If our eggs in Canada are so superior—and in the view of the Minister of Agriculture (Mr. Motherwell) they must be, because he has passed regulation after regulation until the people engaged in the raising of poultry in this country are completely paralysed; I venture to say there is not one man in fifty, no, not one in a hundred or nine hundred of those engaged in poultry raising who understands the regulations of the Department of Agriculture to-day—if, I say, our eggs are so superior, why not take the same precautions against the eggs from other countries that you take against the eggs imported from China?

And now to make the situation still more complicated the hon. member asks to have the act of British Columbia made applicable to the eggs which are imported into this country. If he would exercise the same precautions with regard to eggs from all countries as he does with regard to eggs from China, I would be heartily in accord with him. I think it is absolutely necessary that we should know where the eggs come from. The Minister of Agriculture this afternoon, when the hon. member for East Lambton (Mr. Armstrong) called his attention to the importations of dairy products into this country, could not answer at the moment, but wanted time to consider and find out whether the products of other countries were being sold in this country as Canadian products. I think the minister must be aware of the facts in view of the representations which have been made to his department. I think he must also be aware that grave complaints have been made with regard to the importation of eggs. I do not see why China should be singled out and the eggs from other countries, the United States, Australia and the rest of the world, be allowed to escape.

Mr. MOTHERWELL: Section 3 of the act makes it quite plain.

Mr. SUTHERLAND (South Oxford): It is section 5 that I refer to. Section 3 is not applicable in this respect at all. Section 5 is the one that makes it necessary to put up cards in the restaurants if the eggs used there come from China.

Hon. J. W. EDWARDS (Frontenac-Addington): Mr. Speaker, I have only a word to say. The Minister of Agriculture (Mr. Motherwell) said he thought the principal feature of this resolution was that it compelled those handling eggs from foreign countries to have them marked with the country of origin. I do not think that is the main feature of it at all. The main feature of this resolution, it strikes me, and as the hon. member for Comox-Alberni (Mr. Neill) very frankly admitted towards the close of his remarks, is its protective feature. It is an attempt on the part of a so-called free trader to practise protection and get around his free trade scruples. I assume, and I think I have a right to assume, that if the province of British

Columbia could have passed an act requiring China, the United States, Australia or any other country to mark the eggs they were sending into British Columbia with the country of origin, the province of British Columbia would have taken that means of protecting itself, but it was not within the jurisdiction of the province to pass such an act. It is within the jurisdiction of this House to pass such an act, and I can only conclude from the remarks of the Minister of Agriculture in accepting this resolution that it is the intention of the government, if the House approves this resolution, to pass a federal act which will compel the United States, New Zealand, Australia, China and all other countries sending eggs to Canada to stamp them before they will be allowed entry into this country.

Mr. NEILL: How does the hon. member propose to compel a citizen of the United States to do anything at all?

Mr. EDWARDS (Frontenac): I do not know exactly how you will do it, nor do I know just how you are going to enforce this idea either. It is, however, possible to require goods coming into a country to be marked with the country of origin. Legislation along that line, I believe, exists in different countries; goods must be marked "Made in Germany," "Made in France," and so on; that is being enforced in various countries at the present time. If you apply this to eggs, why not apply it to other things? If this is a legitimate and proper way of protecting the poultry men of British Columbia in the production of eggs, why not apply the same principle to the sheep raisers of Alberta and protect them by specifying that all mutton and lamb imported into this country from New Zealand and Australia shall be stamped as coming from those countries before it is allowed to be put on the market here? Why single out eggs more than anything else?

Mr. NEILL: One thing at a time.

Mr. EDWARDS (Frontenac): I assume from that remark that my hon. friend would not very seriously object to applying the principle further; that if he succeeded in having it applied to eggs, he would not object to applying it to mutton, butter or anything else. But I doubt very much the practicability of anything of the kind. The practical way to deal with this matter, I venture to submit to the hon. member for Comox-Alberni—and I hope I shall not shock too severely his free trade tendencies—the reasonable course is to impose a duty on eggs coming into this country from the United States, Australia or any other country, in order to give the poultry men of this country the protection to which they are entitled. If you do that, you will not have to adopt the roundabout way my hon. friend has suggested to protect the poultry men of the province from which he comes.

Mr. DAVID SPENCE (Parkdale): I would like to know if the Minister of Agriculture (Mr. Motherwell) understands what the hon. member for Comox-Alberni (Mr. Neill) means. We all know that the container in which the eggs come is marked with the country of origin, but I think he now wishes each individual egg to be marked. How far are you going to go? What are we coming to? What is going to happen to the business men of this country anyhow?

Mr. MOTHERWELL: This applies only to imported eggs.

Mr. SPENCE (Parkdale): That is what the resolution means, that each egg should be stamped. Do you not think you have given the business men of this country enough work to do already, keeping track of all the regulations and restrictions you have passed? The only thing they have left to do now is to pay the taxes you impose upon them; they have no other privilege in the world People in business in this country today are so sick and sore and tired they wish they were out of it. I never heard such nonsensical twaddle as this in my life. Hon. members get up here and advocate the most extraordinary things; I never heard the like of them. I only wish the hon. member for Comox-Alberni would get the House to a state where it would clearly understand what the Minister of Agriculture and this government has put the country up against. It is the most difficult thing in the world to comply with all the laws they are responsible for enacting. No matter how desirous you may be of observing those laws you cannot comply with them. Too many restrictions are being imposed on the business world, so much so that the business world is getting sick and tired of the whole thing, and the responsibility rests with the government. We had difficulties when the Conservative party was in power, but under this government they have been increased ten-fold. If the government keeps going on in this way, people will quit business entirely and the business will have to be done in some other way.

Mr. W. F. GARLAND (Carleton): I really believe the hon. member for Comox-Alberni (Mr. Neill) is trying to benefit the poultry industry of Canada, but if this resolution is carried out that industry will be harmed in-

stead of benefited. I agree with the hon. member for South Oxford (Mr. Sutherland) that there are already too many regulations in force with regard to the grading of eggs. Under the existing regulations eggs when they enter Canada, whether from China or other countries, are examined as they come through the customs. Not only are they graded, but the quality is marked on the cases, not on the eggs. I believe that is a sufficient safeguard if the idea is to protect our poultry industry.

As the hon. member for South Oxford says, if the Minister of Agriculture (Mr. Motherwell) would adopt some procedure whereby the householders would know what kind of eggs they were buying, it would be a step in the right direction. As matters are at present the householder may think he is buying a first grade egg when as a matter of fact it is an egg of the third grade and is not to be compared in quality with the egg it is supposed to represent. The present trouble is caused by too many regulations and too many grades. As to the requiring the dealer to stamp the eggs, I really believe he has so much to do at present that such a thing is out of the question. In the case of eggs coming from China or the United States they at least should be stamped by the producer in the country from which they come. If that were done the consumer would know when he was eating a Chinese egg, but the stamping should be done by the man in China.

The producers in Canada are not worrying about the competition caused by eggs from China. Those eggs cannot come through the customs as first grade eggs because they are too old to meet the requirements of that grade; therefore Chinese eggs must be classed as thirds. If people want to buy such eggs they should do so after the grade of third had been stamped on them and also the country of origin. That would remove a lot of the difficulty complained of. If the hon. member for Comox-Alberni would exclude these inferior eggs from Canada altogether, or impose a sufficiently high duty, it would be a benefit to the Canadian poultry industry. The reason those engaged in that industry cannot make both ends meet is because of the unfair competition to which they are exposed, and the present multiplicity of grades. The grades should be properly arranged and simplified so that people will know what kind they are buying. A Canadian egg of the first quality will offer convincing proof of its merits.

Mr. HARRY J. BARBER (Fraser Valley): Let me say in the first place that I am in sympathy with the resolution. During a previous debate I brought this matter to the attention of the House and in view of the fact that I come from British Columbia and have seen the working out of the act in that province, I feel that I can justly support the resolution. I do not think we need worry about the marking of the individual egg. I know one firm in the city of Seattle who claim that they have no objection to the marking of individual eggs for export into Canada, and the cost would not be over one-half cent per dozen. Therefore I think there is no need for concern over the question of the stamping of the individual egg. We have found in British Columbia that we have little or no trouble. There eggs when put on sale must be marked with the country of origin, so that when the customer comes to buy eggs he or she knows that they are from the United States, or from China, or whatever the country of exportation may be. That system has worked out well in my own province.

I returned from British Columbia this morning, and let me assure my hon. friend (Mr. Neill) that he is not going to solve all the problems of the poultryman through the instrumentality of his resolution. During my recent visit to British Columbia I travelled through some of the outlying districts, and they were bringing eggs in and selling them at the low rate of fifteen and twenty cents a dozen, and at the same time paying a big price for feed. In addition to the marking of eggs I think it is absolutely necessary that there should be an increase of duty. I believe the hon. member said some time ago that he was quite favourable to bringing the Canadian tariff on eggs to a parity with that of the United States provided that it did not interfere with the policy of the Prime Minister (Mr. Mackenzie King). There is no doubt at all that the question of an increase of duty must be dealt with. An agitation in its favour is springing up throughout British Columbia. Deputations waited on me urging that course while I was there, and I have had communications—I think my hon. friend has also received some—in which the raising of the tariff is urged. In addition, the adoption of the egg-marking act of British Columbia was advocated. There is no doubt whatever that the existing situation in regard to eggs must be met, and it must be met by an adequate increase in the tariff. We have got to accord some protection to the poultryman. I am going to support the resolution, but I hope before the session closes the government will grant some further protection to the poultry industry by making our tariff equal to that of the United States.

Mr. ROBB: I did not like to interrupt my hon. friend during his remarks, but I should like to ask this question just for information: My hon. friend said that he had observed while in his constituency that eggs were coming in and selling at fifteen cents a dozen. Could he say from what country those eggs came?

Mr. BARBER: They were local eggs. I was talking to one lady who was lamenting that all she could get that particular day was fifteen cents a dozen whereas the week before she received twenty cents. Owing to the lack of protection and to the high cost of feed it is impossible to carry on the poultry business there with success. In fact people are disposing of their flocks in that particular district at the present time.

Mr. SPEAKER: Shall the resolution be adopted? Carried.

Mr. NEILL: I want to make only a few remarks.

Some hon. MEMBERS: Order.

Mr. NEILL: If I am not interrupted I will only be a few minutes, but if interrupted I will be a few hours. I am glad indeed to find myself in sympathy with and voting on the same line as the hon. member for South Oxford (Mr. Sutherland) for once. I understood him to say—

Mr. EDWARDS (Frontenac): I rise to a point of order.

Mr. SPEAKER: What is the point of order?

Mr. EDWARDS (Frontenac): The point of order is this: The hon. gentleman has already discussed the resolution which he moved and which you, Mr. Speaker, declared carried. I should like to know what is before the House.

Mr. SPEAKER: It is true that I declared the resolution carried—

Mr. NEILL: But, Mr. Speaker, I was already on my feet.

Mr. SPEAKER: The hon. member was on his feet at the moment I said carried. I will give the hon. member the benefit of the doubt, as I am sure he is not obstructing himself.

Mr. NEILL: I think in any case I have a right of reply. The remarks of the hon. member for South Oxford (Mr. Sutherland) were purely of a detailed character, and, I do not think we should take much time in discussing that phase of it.

With regard to the criticism of the hon. member for Frontenac-Addington (Mr. Edwards), I think it is quite immaterial whether the egg is marked in Seattle or in Vancouver. The point is that we can compel the man in Canada to have them marked before he sells them. We naturally would compel the man over whom we have control. I can assure the hon. member there will be no trouble and he need not worry. But the hon. member came back, as hon. members on that side of the House do, to the matter of protection. He said that to put an increased protection on eggs would be sufficient. I say to him, I would also put protection on American eggs. But that should be only supplementary to this legislation, for this reason: that increased duty means increased expense, whereas the resolution I have suggested would mean no increased expense to the consumer, and in these days we are supposed to cut down the high cost of living.

The hon. member for Fraser Valley (Mr. Barber) goes one better than I do and says they can be marked for half a cent a dozen, so that will not increase the cost to the consumer. I am quite willing to vote for a higher duty on eggs coming in from the United States. But the hon. gentleman could not resist the temptation—it is ingrained in him—for political effect to twist my remark. He says I stated, "I am willing to vote for the increased duty on eggs coming from the United States, provided that it does not interfere with the Prime Minister." I will subscribe any sum of money to a local charity if my hon. friend will find any such words of mine in Hansard.

Mr. BARBER: I think the statement was that if it was not in the form of a confidence motion, which would imply that if it did not interfere with the government he would vote for it.

Mr. NEILL. He deliberately twisted my language. I said I would vote for it if it were not attached to a straight vote of confidence or combined with a motion in regard to higher protection on other goods in such a way as to make it entirely nugatory.

I will pass over the remarks of the hon. member for Parkdale (Mr. Spence). He says it was all nonsense. My resolution has been vindicated by the hon. member for Fraser Valley. I am pleased to see the stand he took.

One other point as regards the question that it would be far better to put on protection.

Here is the language the Cowichan Creamery Association used:

The board of directors and management of this association are of the opinion, and very strongly of the opinion at that, that the Eggs Marks Act is a much better form of protection than 5 cent extra duty, at the same time we believe that if the act was a federal measure instead of a provincial one, it would have a better chance.

And so on.

The hon. member for Frontenac-Addington accused me of being a near free trader or a has-been free trader. As soon as you propose to go half way to meet hon. gentlemen opposite, they are never satisfied. Here is a measure of protection. I am not ashamed to say that I favour it as protection, but they are not satisfied. It does not go far enough for them. But only two members on the other side have the courage of their convictions and say, "Here is protection; we will support it." I hope the House will unite in passing the resolution.

Mr. SPEAKER: Carried.

Mr. SUTHERLAND (South Oxford): The debate is closed on this motion, is it?

Mr. SPEAKER: The debate is closed. When the mover of a resolution has first expressed his views and other members have taken part in the debate, and the time comes for the mover to reply, his reply closes the debate, according to the rules of the House.

Mr. ROBB: Before adjournment I desire to repair something of the damage which hon. gentlemen opposite innocently, or I am sure not with intention, caused just prior to six o'clock when you yourself, Mr. Speaker, left for home and many hon. gentlemen had left to go to dinner. I move—

Mr. MEIGHEN: I rise to a point of order.

Mr. ROBB: I move that this House will on Friday March 19th instant resolve itself into committee to consider of supply to be granted His Majesty.

Mr. MEIGHEN: I rose to a point of order.

Mr. ROBB: I had the floor.

Mr. MEIGHEN: I think I had the right to rise to a point of order even if the hon. minister was on his feet. I do not know under what rule the minister rises to make a motion at this stage. The rules of the House plainly read that the proceedings of the House must be taken in accordance with the order paper. We are certainly not proceeding in accordance with it now.

[Mr. Neill.]

Mr. ROBB: This resolution before the House had just been passed, and I rose to make the motion—

Mr. SPEAKER: I think the point is well taken; the orders of the day must be exhausted before this motion could be taken up.

Motion agreed to.

ATHABASKA ELECTION

ALLEGED CORRUPT PRACTICES

Mr. D. M. KENNEDY (Peace River) moved:

That the following address be presented to His Excellency the Governor General:

To General, His Excellency, the Right Honourable Julian Hedworth George, Baron Byng of Vimy, General on the Retired List on the Reserve of Officers of the Army, Knight Grand Cross of the Most Honourable Order of the Bath, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, Member of the Royal Victorian Order, Governor General and Commander-in-Chief of the Dominion of Canada;

May it please Your Excellency:

We, His Majesty's most dutiful and loyal subjects of the House of Commons in Parliament assembled beg leave to represent to Your Excellency:

1. That a petition has been, within the time specified in the Corrupt Practices Inquiries Act, being chapter 8 of the Revised Statutes of Canada (1906) as amended, presented to the House of Commons signed by more than twenty-five electors of the electoral district of Athabaska, stating that no petition charging the existence of corrupt practices has been presented under the Dominion Controverted Elections Act, and that corrupt or illegal practices have, or that there is reason to believe that corrupt or illegal practices have extensively prevailed at the election holden in the said electoral district of Athabaska aforesaid on the 29th day of October, 1925.

2. That the said petition was presented to the House of Commons on the 29th day of January, 1926, and on the 1st day of February, 1926, was laid upon the table of the said House of Commons with the Report of the Clerk of Petitions stating that he had examined the petition of the more than twenty-five electors of the electoral district of Athabaska aforesaid, and that all the requirements of the Corrupt Practices Inquiries Act (R.S.C. chapter 8) in respect of such petition had been complied with (No. 17 Votes and Proceedings of the House of Commons of Canada, Monday, 1st February, 1926).

Wherefore we, His Majesty's most dutiful and loyal subjects of the House of Commons aforesaid in Parliament assembled Humbly Pray Your Excellency:

To cause inquiry to be made under the Corrupt Practices Inquiries Act aforesaid, as amended, by one or more of the following Honourable Judges of the Supreme Court of Alberta—The Honourable Horace Harvey, Chief Justice of Alberta; the Honourable William Charles Simmons, Chief Justice of the Trial Division of the said Court; the Honourable Charles Allen Stuart; the Honourable Nicholas Dominac Beck; the Honourable James Duncan Hyndman; the Honourable Alfred Henry Clark; the Honourable William Legh Walsh; the Honourable Maitland Stewart McCarthy; the Honourable William Carlos Ives; the Honourable Thomas Mitchell Morel Tweedle, and the Honourable John Robert Boyle. Competent under the Dominion Controverted Elections Act as amended to

try an election petition in the province of Alberta, within which the electoral district of Athabaska is situated.

He said: Mr. Speaker, it is not my intention to take up any time in discussing this motion. I rise merely for the purpose of moving it. The motion has been on the order paper for six weeks, and covers practically all the arguments that I would care to make on the question this evening. The Corrupt Practices Inquiries Act, chapter 8 of the Revised Statutes of Canada, as amended, provides for an inquiry into alleged corrupt and illegal practices under certain conditions. More than twenty-five electors of the federal electoral district of Athabasca have petitioned this House praying for an inquiry under the terms of the statute. The petition was accepted by this House on the 1st February and I move this motion at this stage simply in order to give effect to the prayer of that petition.

Hon. R. B. BENNETT (West Calgary): Inasmuch as the Hon. Mr. Justice Stuart has died since this resolution was placed upon the order paper, it seems to me that the name of his successor, the Honourable Charles Richmond Mitchell, should be substituted for that of the Honourable Charles Allen Stuart. I would also point out that the name of Mr. Tweedie is incorrectly spelled; it should be the Hon. Thomas Mitchell March Tweedie instead of the Hon. Thomas Mitchell Morel Tweedie.

Motion, as amended, agreed to.

ADJOURNMENT—BUSINESS OF THE HOUSE

Mr. MACKENZIE KING moved the adjournment of the House.

Mr. SPEAKER: Carried.

Mr. MEIGHEN: What is the business for to-morrow?

Mr. MACKENZIE KING: There is the old age pension resolution, and one or two other resolutions that appear on the order paper.

Mr. MEIGHEN: I do not quite understand. The old age pension resolution is quite clear, but what about the other resolutions? Are they those that appear under government notices of motion?

Mr. MACKENZIE KING: Yes. There are two or three of which notice was given to-day.

Mr. MEIGHEN: All right.

Mr. ROBB: What disposition has been made of my resolution which was moved a few moments ago?

Mr. MEIGHEN: There was no resolution. I submit that the House has been declared adjourned.

Mr. SPEAKER: I said "carried", but the hon. gentleman knows that after that there was an interchange between him and the Prime Minister.

Mr. MEIGHEN: The minister rose about two minutes after the motion for adjournment was carried.

Mr. FORKE: I would venture at this time to remark that members in this corner of the House can take no part in this argument because we cannot hear a word of it.

Mr. MEIGHEN: Does Your Honour hold that a motion to adjourn has been made but is not yet carried?

Mr. SPEAKER: Not yet carried.

Mr. MEIGHEN: The motion is not debatable.

Mr. SPEAKER: The hon. gentleman submitted a motion that a moment ago I said could not be put because the order paper was not exhausted. I said a moment ago that this motion could come up to-morrow.

Mr. MEIGHEN: May I submit to you, Sir, just a few simple reasons? When the motion was submitted, I rose to a point of order. I pointed out that it was out of order and could not be proceeded with. I was upheld and consequently there was no motion made.

Mr. SPEAKER: The minister proposes it again.

Mr. MEIGHEN: But when? When there is a motion to adjourn before the House. That motion is not debatable and I rise again to a point of order that he cannot now propose it. We must decide the motion to adjourn.

Mr. SPEAKER: The point is indeed a very fine one. Before the House adjourns every evening leaders on both sides, after the motion is put, speak on matters quite different from the motion to adjourn, and by the courtesy of the members, and by custom from time immemorial, no one has ever taken any objection to that. There is no question before the Chair at the present moment. The Minister of Finance evidently did not notice that the adjournment of the House had been moved and that I was about to declare the

motion carried. He then inquired about his motion, and I declared that the motion could not be moved. So this is a tempest in a teapot, if I may say so, with all due deference, and without any vindictive spirit. It is well known that every evening before the House adjourns, when the motion is put and often after it has been declared carried, the leaders in the House put questions to each other as to the business for the next day.

Motion agreed to and the House adjourned at 10.40 p.m.

Friday, March 19, 1926

The House met at three o'clock.

COMMITTEE OF SUPPLY

POINT OF ORDER RAISED BY MR. MEIGHEN RESPECTING MOTION OF MINISTER OF FINANCE.

Hon. J. A. ROBB (Minister of Finance): I desire to move seconded by Mr. Motherwell:

That this House will on Monday, March 22nd instant, resolve itself into a committee to consider of a supply to be granted to His Majesty.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I take the ground that the motion is not in order. The committee of Supply having risen, by virtue of a motion that "the chairman do now leave the chair," it is of course extinguished. It passes from the order paper and, I submit, is subject to be revived only upon the submission of a proclamation from His Excellency, or by bringing down a new Speech from the Throne—

Some hon. MEMBERS: Oh, oh.

Mr. LAPOINTE: General election.

Sir HENRY DRAYTON: That would be even better.

Mr. MEIGHEN: —or by the submission of further estimates to this House. I refer Your Honour to May, 13th edition, on pages 538-539:

When all the supplies for the service of the year have been granted, the sittings of the committee of Supply are discontinued. Care must be taken not to close the committee until all the necessary grants have been obtained. If the committee of Supply be designedly closed, it cannot be reopened save by the demand from the crown for further supplies made by a second Speech from the Throne, or a royal message, or by the communication of additional estimates.

Those words are most distinct. They are not qualified by anything in any other authority that I have been able to see, in fact they are supported distinctly by Bourinot at page 400 There is a case defined by Bourinot, distinct from the case we are on now, where subsequent to a motion that progress be reported a motion immediately follows for the chairman to leave the chair. There the committee may be revived upon motion, but even Bourinot is distinct that where there is nothing but the motion that the chairman leave the chair it cannot be revived upon motion save only upon the conditions stated in May. I read them again:

An hon. MEMBER: Louder please.

Mr. MEIGHEN: I read them again:

When all the supplies for the service of the year have been granted, the sittings of the committee of Supply are discontinued. Care must be taken not to close the committee until all the necessary grants have been obtained. If the committee of Supply be designedly closed it cannot be reopened save by the demand from the crown for further supplies made by a second Speech from the Throne, or a royal message, or by the communication of additional estimates.

Instances are given in the footnote of each of these methods being adopted. That the committee was designedly closed goes without saying. It does not need to be closed at the instance of the government. A committee of the House is not under the charge of the government at all.

Some hon. MEMBERS: Louder.

Mr. MEIGHEN: It was closed by a member of the committee making the motion to close it.

Right Hon. W. L. MACKENZIE KING (Prime Minister): What were the first words of the statement my right hon. friend read?

Mr. MEIGHEN: The first sentence is not relevant at all.

Some hon. MEMBERS: Oh, oh.

Mr. MEIGHEN: I referred some time ago to this method of interrupting; I hope I do not need to remind hon. members of it. I will read the paragraph again:

When all the supplies for the service of the year have been granted the sittings of the committee of Supply are discontinued.

Certainly, they are, that is the regular proceeding. Now:

Care must be taken not to close it until all the necessary grants have been obtained.

The reason being that when it is closed this result follows:

If the committee of Supply be designedly closed, it cannot be reopened save by demand from the crown for further supply made by a second Speech from the Throne, or a royal message.

There is nothing in the world to qualify the sentence upon which I rely, "that if the committee is designedly closed" and that it

was designedly closed there can be no doubt. It was not designed by the government, I quite admit that, but the committee is not in charge of the government. The committee is wholly independent. The committee granting supplies to the crown designedly was closed by the motion, and therefore the steps which I have indicated must be taken to revive it.

Mr. ROBB: Mr. Speaker, I am not going to enter into a controversy with my right hon. friend on the points he has just raised more than to say this, that the procedure followed to-day is in my recollection identically the same procedure that was followed at one period when my right hon. friend was either the Prime Minister or a very important and active member of the government of the day.

Mr. MEIGHEN: When?

Mr. ROBB: I will come to that in a moment. My right hon. friend knows as well as I do that it is not always easy for a government to know when a vote is going to be sprung on them by the opposition. My right hon. friend will recall, if not I think the chief opposition whip will, that during the period in question, 1920-1921, the government of the day had difficulty in keeping their forces in the House and an opposition is always anxious to make trouble. That was the situation at that time. The chief government whip of that day came to me and told me of his difficulties, and one night some of our boys, anxious to play such a trick as was played upon us yesterday, counted the House out, and consequently the House had to adopt exactly the same procedure respecting estimates as has been adopted to-day. Upon the instructions of the then leader of the opposition, who is the Prime Minister to-day, I as chief whip, arranged with the government whip of the day that we would not impede the despatch of public business by counting the House out if the government had difficulty in keeping the members here. That was the position we took in opposition. All we ask is that the same courtesy be extended to us.

Mr. MEIGHEN: It was a case of counting the House out because there were not enough members in. That is not the case here at all.

Mr. ROBB: The result is the same.

Mr. MEIGHEN: No. That certainly could be restored by revival, or could be revived by motion. Very frequently there are cases of such revival, and though the opposition of that time may have been credited with much philanthropy, philanthropy of which I cannot recall any instance in their history, we did not depend upon it. We had our rights without asking for it or receiving it. All I ask is that the government proceed in the regular way, and that this is the regular way there is no doubt, and I do not think it is very difficult. It is not that we are trying to put obstacles in the way. We are asking only for regularity and there is no need of any delay at all. The government cannot go on until Tuesday.

Right Hon. W. L. MACKENZIE KING (Prime Minister): May I ask, just by way of enlightenment, what object is to be gained in having the government ask His Excellency for a message to present estimates to the House, beyond that of delaying the business of the committee? It can be done easily, but delay seems to be the whole object of it.

Mr. MEIGHEN: I will answer the right hon. member frankly. First of all, there will be no delay. The government cannot go on until Tuesday anyway. They are not suggesting that they should go on to-day. There is no difficulty in the world in presenting estimates Tuesday. The object to be served is merely to keep the proceedings of the House regular and not to be making new precedents when there is nothing to be gained by it.

Mr. SPEAKER: Does any other member desire to speak?

Sir HENRY DRAYTON: I do not know that it is necessary to supplement what my right hon. leader has said. As I moved the motion, perhaps I ought to say that the motion was designed. We designedly closed the proceedings of that committee. Our view was that it was absolutely improper—I could use a much stronger word—for the government to ask that committee to further consider the estimates of my hon. friend the Minister of Customs when his department was under review, under the circumstances that it is now under review. We meant what we said. We closed the committee designedly on an issue which was an active issue between the parties, and I certainly admit that we are entitled to whatever benefits flow from what happened on that occasion. On this point of order I think it is perfectly proper to point out that during this session we are establishing new precedents, but perhaps we will have to establish another precedent. This government has been defeated by the people

and has been defeated in this House, and perhaps we will have to establish some new precedent to ascertain whether it can be dislodged only by dynamite or trinitrotoluol.

Mr. SPEAKER: A motion is made by the hon. Minister of Finance to revive the committee of Supply in the following words:

That this House will on Monday March 22nd, resolve itself into a committee to consider of a supply to be granted His Majesty.

The point taken by the right hon. leader of the opposition is that the power of the committee is exhausted by the decision which was rendered yesterday; that is to say that the committee should rise. Now, what is the effect of a similar motion when it is carried in committee of the whole? May I refer the House to No. 191 of Beauchesne's Parliamentary Rules and Forms which reads:

If the motion "that the chairman do now leave the chair" is carried, then the business of the committee is superseded, but the original order of reference remains and it is competent for the House to resolve itself again into committee on the same subject, for the committee itself has no power to extinguish a question.

This is taken from Bourinot at page 400. The right hon. gentleman has quoted from May at page 538. Before coming to the point which he makes, I wish to call his attention to May's 13th edition, page 455.

It is the practice for members who desire to close the sitting of a committee, to move that the "chairman do report progress, and ask leave to sit again," in order to put an end to the proceedings of the committee on that day, this motion in committee, being analogous to that frequently made at other times for adjourning the debate. A motion "That the chairman do now leave the chair" when carried, supersedes the order of the day for a committee, and converts it into a dropped order; as in this case, when the Speaker resumes the chair, no report whatever is made from the committee. The same result is obtained if, when the chairman reports progress in the matter referred to in the committee, he refrains, upon a direction given by the member who had obtained the appointment of the committee, from asking leave to sit again.

Now how can you revive a committee which has been so converted into a dropped order? May, at page 256, says:

To replace a dropped order of the day upon the notice paper, a motion is made before the commencement or after the close, of public business, to appoint the order for a subsequent day. These motions, which are made without notice, are usually treated as purely formal motions.

Is a notice of motion necessary? Let me refer to Redlich, volume 2, page 219, where I find the following:

Certain motions of a formal or uncontentious nature do not require notice; such are motions:

(a) For the first reading of a bill from the House of Lords;

(b) For the consideration of Lords' amendments forthwith or on a future day;

(c) For the postponement, discharge, or revival of an order of the day;

(d) For the appointment of a committee of the whole House on a future day.

Therefore no notice is required in the present instance. I would also quote rule 76 of our own rules and I also refer to May, page 237, where I find the following:

Certain formal motions which are necessary for the due transaction of business are also made without notice, before the commencement, or after the close of public business, such as motions for the first reading of bills received from the House of Lords for the consideration of Lords' amendments forthwith or upon a future day for the postponement, the discharge, or the revival of an order of the day.

I now come to the very serious argument based on the citation made by the right hon. gentleman at page 538 of May. Let me read it again:

When all the supplies for the service of the year have been granted, the sittings of the committee of Supply are discontinued. Care must be taken not to close the committee until all the necessary grants have been obtained. If the committee of Supply be designedly closed, it cannot be reopened save by the demand from the crown for further supplies made by a second Speech from the Throne, or a royal message, or by the communication of additional estimates.

My knowledge of the English language is far from perfect, but reading carefully this paragraph and using my common sense, it means that once all the supplies have been passed by the committee of Supply, then designedly the committee is closed, and if the government have further supplies to present to the House they must present them by either a second Speech from the Throne or a royal message. That is what happens every session in this House. When the bulk of the supplies have been passed, a message comes from His Excellency for further supplementary estimates and the Speaker reads the message to the House. Again, I am of the opinion, with my poor knowledge of the English language that "designedly" means that when certainly and finally the House has closed the committee all the supplies having been passed. Now, if further supplies are presented the government cannot refer them to the committee of Supply without a new message from His Excellency. That is how I read this passage of May at page 538.

The right hon. gentleman referred to the foot-notes on page 538 of May. I may say that I have taken great pains to look over the foot-notes and references and they apply simply to cases where all the main supplies have been passed and the government in England wanted to submit some further sup-

plies. I think that covers the points which were raised in the discussion, and under the circumstances I believe I am justified in ruling and I rule, that the motion is in order.

Motion agreed to.

REFERENCE TO COMMITTEE OF CUSTOMS AND EXCISE ESTIMATES

Hon. GEORGE H. BOIVIN (Minister of Customs and Excise) moved:

That resolution No. 349 of the estimates for the fiscal year ending March 31, 1927, be again referred to the committee of Supply—

Sir HENRY DRAYTON: Might I ask for an explanation from the mover?

Mr. BOIVIN: The resolution referred to in this motion was under consideration by the committee of Supply yesterday when my hon. friend moved that "the chairman leave the chair." By the adoption of this motion the committee of Supply went out of existence and it was necessary for the Minister of Finance (Mr. Robb) to make the motion just adopted reconstituting this committee for Monday next. Some doubt has been expressed but it will be cleared up by this motion if it is adopted, as to whether or not the particular resolution under consideration at the time that the committee rose without report, was automatically superseded and whether or not it could be again considered by the committee without being again referred to the committee by the House. Now that hon. members are all in attendance and the Liberal members are not attending the sitting of the Customs committee nor on their way home for their evening meal, I introduce this motion so that the House may decide that the matter which was taken out of its hands yesterday shall be restored and considered. I believe it is the desire of the House that the estimates as submitted by His Excellency the Governor General should receive consideration and be voted upon.

The government has no objection to allow all of the estimates to be carefully considered by the committee of Supply and the committee may decide against any one of the estimates submitted by His Excellency; but we do not propose to be condemned by snap verdicts nor to have the estimates wiped off the order paper by a division such as that which was taken in the House last night. For that reason, the motion is presented and I trust it will be unanimously carried.

Sir HENRY DRAYTON: Mr. Speaker—

Some hon. MEMBERS: Hear, hear.

Sir HENRY DRAYTON: I am glad to note that generous chord in the hearts of my hon. friends over there. They recognize right even though they want to crush it. The minister was perfectly right from his standpoint in making this motion; in making it he confessed the fact that the item is killed. We have had one motion in the first instance for the purpose of resurrecting the committee, and this may be done if we read the English language in a certain way. But besides resurrecting the committee we have to revivify an item which has been defeated and that is why my hon. friend makes this motion. If he did not know that the item which was in question was defeated he never would make this motion. It would really have been better if this motion had come before the other because this motion shows the extent of the effect which has or rather which ought to be given to the motion of yesterday But now we have the admission as to what the motion amounted to. The government itself admits that the item is killed, and there is no doubt about it. Now I am not saying anything about the appetites of my hon. friends' supporters; I am not saying anything about when they go to dinner or anything of that kind; nor am I, on the other hand, complaining about Conservative members having to attend that committee. The Conservatives attend the committee just as much as the Liberal members do. I am not making any references, either, to the wires, the wild wires, sent out for assistance by the government to its supporters last night. We have not done that.

An hon. MEMBER: Nothing of the kind.

Sir HENRY DRAYTON: Does some hon. gentleman say that this was not done? Hon. gentlemen opposite know that it is true. The point I want to make now is simply this, that the item being killed, as undoubtedly it is, according to the government's own admission and as evidenced by the very fact that we have now a motion to resurrect it, it must be reintroduced by a further message from His Excellency. In this I am absolutely on safe ground. Never mind in what language the rule is written. Here we have an admission that the item is dead, an admission from the government itself, and the only way in which it can be reintroduced is to have it submitted as a new item.

Right Hon. W. L. MACKENZIE KING (Prime Minister): The House heard the remarks of the Minister of Customs (Mr. Boivin), and there is no doubt as to what the purpose of his motion was. He did not admit

that the item had been killed; he did say that, as hon. gentlemen opposite might entertain that view, and in order to relieve their minds of any anxiety, he would have the House as a whole express its opinion on the subject. I would ask my hon. friend (Sir Henry Drayton) a simple question: was his motion intended to kill the item? Was that the object he had in mind?

Sir HENRY DRAYTON: The purpose of the motion was to do just what the motion does.

Some hon. MEMBERS: Oh, oh.

Sir HENRY DRAYTON: Hon. members laugh, but I repeat that the object of the motion is self-evident. The motion was intended to kill the committee, and it did. The item was, in the opinion of members on this side of the House, one that was improper and that should not have been pressed. It was pressed against the protest of this side and without treating the House as the House had a right to be treated by the government in connection with a matter that was and is sub judice. I want to tell the Prime Minister that so far as I am concerned, indeed, so far as all hon. members on this side are concerned, we are determined to see the people get a square deal. We are determined to see that the only check which an opposition can exercise, namely, the check on votes, is maintained.

Mr. MACKENZIE KING: Notwithstanding my hon. friend's eloquence he has not answered the question. He tells us that his motion had a wider range of slaughter in view than the killing of the item itself; he admits that the intention was to kill the committee. I ask him again, however, the simple question I put to him before: was it his intention to kill the item? Now, I may say, I was in the House at the time my hon. friend was speaking, and he was requesting the Minister of Customs not to press the item at that particular moment.

Sir HENRY DRAYTON: Certainly.

Mr. MACKENZIE KING: But the hon. member did not say anything about killing the item; he merely asked that it be held over. The item was to provide money for the preventive service. That being understood, was it his desire to kill it?

Sir HENRY DRAYTON: I cannot make myself much clearer to the Prime Minister. Our position was that the item should not be pressed, and we did the only thing we could do under the circumstances. What else was there to be done? I have an idea that the whole thing will have to be gone over again, if we are to have anything like a proper administration of affairs in this country, when the report of the committee comes in. I expect that when the report is submitted something will be done to try to stop what has been going on in this country, as apparently it is admitted. I am not against a proper item for the protection of the customs and of the commerce of this country, but I am opposed to any scheme of putting through votes that have a bearing upon the matter now under investigation by the Customs committee before the report of that committee has been submitted to the House.

Mr. MACKENZIE KING: I think it is important that there should be no misunderstanding of the exact significance of what transpired yesterday. As hon. members know very well, when the House is in committee hon. gentlemen frequently attend to other matters than the questions immediately under consideration in this chamber, especially when they have reason to expect that a debate will go on without a division. It so happened that yesterday afternoon there was an important meeting of the committee which is investigating the smuggling charges and a large number of hon. members from this side of the House, as well as some hon. gentlemen opposite, attended that meeting. The fact that the total vote in committee in this chamber was 105 shows that one-half of the members were not in the House at the time that the vote was taken. I came into the chamber about a quarter to six, having previously been in conference in my own room with some hon. members, and at about ten minutes to six I heard my hon. friend the member for West York suggesting to the Minister of Customs that the item be not pressed at that particular moment. The Minister of Customs was replying to the effect that there were strong reasons why the item should not be held over, and I believe what he had in mind was that it was desirable to proceed with the business of the House as expeditiously as possible. The hon. member for West York (Sir Henry Drayton), while the Minister of Customs was speaking, kept his eye steadily on the clock, and when it was nearly six o'clock—about five minutes to six—instead of making any motion of any kind respecting the item, either to strike it out or to reduce it, he moved to have the committee rise at once in order, so he said, to show his good faith in the whole matter. The Minister of

Customs, according to Hansard at page 1751, thereupon asked my hon. friend this question:

I hope my hon. friend will at least allow me to ask a question. Does he desire by this motion to secure the withdrawal for the present of these two other items?

What answer did my hon. friend make?

Sir Henry Drayton: I want the ordinary rules of the House to be applied. I have made a motion. I want to prevent these two items from being considered, as I do not think they should be considered.

In other words, my hon. friend expressed the view that he did not wish to have the item considered. Why did he not want to have it considered at that moment? He did not wish to have it considered at that particular moment because most hon. gentlemen opposite were at that time in the lobby waiting for orders to come in here and get a snap vote. That is the whole explanation. I am ready to admit that the hon. gentleman did turn a clever little trick, but if my hon. friends opposite regard it as a great victory I fancy they are the only ones who will be of that opinion.

Sir HENRY DRAYTON: Will the Prime Minister allow a question? If he is right in his contention that I did not want to have the item considered, why was it that I pressed the vote immediately?

Mr. MACKENZIE KING: If the hon. member had not pressed the vote immediately it would have been six o'clock and he could not have obtained a snap verdict.

Hon. R. J. MANION (Fort William): The whole discussion is out of order, but as apparently it is being allowed I wish to say a few words on the question. The Prime Minister (Mr. Mackenzie King), the Minister of Finance (Mr. Robb) and other hon. gentlemen opposite have been speaking of this vote as a snap verdict. Well, is it any more a snap vote than the snap votes which the government has pulled off at various times when some of our members on this side have gone away not expecting a vote?

An hon. MEMBER: When?

Mr. MANION: My hon. friends know very well when, without having me tell them.

Some hon. MEMBERS: Oh, oh.

Mr. MANION: Hon. gentlemen opposite, when they cannot reply with an argument, frequently interrupt with laughter, as they have interrupted my right hon. leader (Mr. Meighen), or with howls. It reminds me of a strange custom I noted some years ago when travelling in Europe. In the Italian theatres there is maintained what is known as a claque for the purpose of cheering when it is called upon to cheer, or laughing, as the case may be. My hon. friends on the other side of the House, Mr. Speaker, very often remind me of that claque.

I listened yesterday to the very able discussion carried on by various members on both sides of the House, and I want to say that it was not simply a snap vote, it was the right kind of vote. It was the sort of vote that this government should be getting in this House on all occasions, and it would be so dealt with if it were not for the fact that having made so many promises to all sections in this House it has been able to secure support from hon. members who apparently are more ready to accept promises than action.

Now, Mr. Speaker, the Minister of Customs when he pointed out that the government was going to allow the House to discuss these estimates spoke as if it was doing something generous, but that is the duty of every government. The House has the right to discuss all the estimates; that is why we are here.

I should like to point out that for lesser defeats of this kind governments in Great Britain, much more strongly entrenched than this government is, have resigned.

Some hon. MEMBERS: Oh, oh.

Mr. MANION: Yes; and if I wished to take the time of the House I could give many instances of governments in the British House with clear majorities over all other parties, majorities running from 30 to 40, which for lesser reverses than this government has had realized their duty to the country and resigned.

The Minister of Finance has stated that the opposition simply wished to cause trouble. Well, the trouble in the country at the present time is caused by this defunct government insisting on carrying on when it should be out of business. I repeat, Mr. Speaker, that this was not a snap vote nor a prepared vote. It simply happened because our party was on the job and the government's party was not.

Hon. J. A. ROBB (Minister of Finance): Mr. Speaker, I hope my hon. friend has misunderstood me. I do not think I said anything of the kind that he objects to.

Mr. MANION: I wrote down the words at the time. Maybe my hon. friend did not mean them in the way he said them.

Mr. ROBB: I simply rise, Mr. Speaker, to say that I am a little alarmed by a statement made by my hon. friend from West York

(Sir Henry Drayton). This is March 19, and in a few days members will be urging us to name the date when they can separate for the Easter holidays. Every member is interested in carrying on the public service, particularly the preventive service to check smuggling and ensure the maximum collection of revenue; and no person is more interested in these measures than the Minister of Finance of the day. My hon. friend knows that from his past experience. I have for the moment the responsibility of providing moneys to carry on the public service, including moneys required for the preventive service. In view of my hon. friend's statement, if this motion is killed does he mean to say that the doors are going to be opened wide to every smuggler to carry on his illicit traffic? I appeal to the common sense of my hon. friend. If he wished, he might say, "We will give you a reasonable vote to carry on, we will only give you a percentage of this on April 1." But surely he does not take the stand that we are going to paralyze the whole public service and especially have no means of paying our preventive officers? I appeal to my hon. friend from his past experience as Minister of Finance whether upon reflection he does not think he has gone a little bit too far.

Mr. EDWARDS (Frontenac): How did you use all the vote last year for the same purpose?

Mr. ROBB: Does that mean we do not want it at all?

Mr. EDWARDS (Frontenac): That is a very pertinent question. How much of the moneys did you use of the vote last year for the same purpose?

Mr. LAPOINTE: Let us go into committee of Supply, and you will get the information.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Mr. Speaker, when the question was asked as to the meaning of this motion it did not necessarily involve a long discussion on the merits or demerits of the government's defeat yesterday. That discussion was precipitated by the Minister of Customs (Mr. Boivin) who felt that something had to be done to revive the waning spirits of the gentlemen around him.

I have been listening for some reasons as to why the motion before the House can be said to be in order. The minister states he has some doubt whether this estimate is killed or whether it is not killed. Well, if it is not killed, of course no motion is necessary. That seems to follow very reasonably. If the estimate is killed, then the motion is futile, because undoubtedly an estimate which is killed can be revived only by representation. There does not seem to be much room for argument about that. The Prime Minister says, "We do not admit it is killed." Then why the motion? The motion cannot help the estimate; if it is killed it is a futile effort to revive it. There is a method of reviving it, and that method the government apparently does not want to resort to. That method is merely to bring down another estimate to this House.

So far I have spoken on the merits of the point of order raised by my hon. friend to my left (Sir Henry Drayton). Discussion has taken place as to whether the government ought to suffer the ignominy of yesterday's vote, or whether it can escape by a certain amount of additional boasting to-day and by the imputation of motives, schemes, plans and all the rest of it. I happen to know it was the desire of my hon. friend to move his motion earlier than he did, but many members on this side of the House who did not know of this desire continued discussing the point of the motion that was before the committee, and therefore he delayed until close around ten minutes to six. Consequently what my right hon. friend says is entirely untrue. It is true that the hon. member for West York intended to make the motion, and he would have moved it at half past five but for the discussion which was then proceeding. But the fact is this, governments depend upon the result of motions as to the quality and dependability—

Mr. MACKENZIE KING: Will my right hon. friend excuse my interrupting him? He says that the motion was to have been moved at half past five. Does he mean it was prearranged?

Mr. MEIGHEN: Some time shortly after half past five. I know this because I was by his side at the time, but hon. members who knew nothing about his intention continued the discussion. Do hon. gentlemen opposite contend that in cases in Great Britain where governments have been defeated it has been because their own supporters went and voted against them? They have been defeated many a time, and taken the consequences, because their supporters had no more interest in their proceedings nor in the government they were supposed to follow and did not bother attending in the House. When a government finds itself in such a position in England it usually realizes that it is about time to retire. But there is one virtue this government has never yet attained, and I do not believe it ever will

until some super quality of political dynamite is invented, and that is the virtue of resignation.

We are not urging this discussion now. All I want to say is that the judgment of yesterday was no more a snap judgment than many a judgment in Great Britain, and I think one or two in Canada, upon which governments have acted; no more a snap majority than the majority obtained by this administration time and time again on votes designed by themselves. They may call it whatever they like in the press, but the people know that this government is in a precarious position, and they know as well that if hon. members voted on the government's record and their own opinion of it, and on the results of the late contest, this government would have been out of office two months ago. They know they were permitted—and quickly availed themselves of the opportunity—to present to this House a new programme consisting of a series of new promises especially addressed to hon. gentlemen who were not elected to support them, in order to bring to their side that support. Because they were so permitted and entirely without precedent in the parliamentary history of this country or of any other British country, they sit in office today.

I submit again that the government cannot revive an item killed in the estimates by the mere process of a motion. It does not matter to us as a party what the position is, but surely it is of some consequence to parliament that if we have regulations and rules we should be bound by them, and this government cannot escape from those rules merely because they do not propose to study them.

Hon. ERNEST LAPOINTE (Minister of Justice): Mr. Speaker, the right hon. gentleman (Mr. Meighen) following the example of the hon. member for Fort William (Mr. Manion), appealed to the precedents established in England, and said that in England any government suffering what this government suffered yesterday would have immediately resigned. I intend to read a very recent statement—

Mr. MEIGHEN: I did not say that at all, as a matter of fact.

Mr. LAPOINTE: My hon. friend is still misquoted, but his words will appear in Hansard.

Mr. MEIGHEN: Will the hon. gentleman permit—

Mr. LAPOINTE: No.

Mr. MEIGHEN: I thought he would not.

Mr. LAPOINTE: I am glad my hon. friend knew I would not. My hon. friend has a queer custom of interrupting members of this House all the time. I never interrupt my hon. friend, and I do not think it is a good practice to be followed in parliament, if my hon. friend will permit me to say so. The former Prime Minister of Great Britain, Mr. J. Ramsay MacDonald, when he assumed office on February 12, 1924, made a speech, which is reported in the British Hansard at page 749 of the Debates of that year. His very first words were as follows:

4 p.m.

No Prime Minister has ever met the House of Commons in circumstances similar to those in which I meet it. For the time being no party in this House has a majority. The party opposite is the largest of the three, but on account of the circumstances of the election, it is impossible for this House to ask them to remain in power. As the second party, the Labour party has accepted the responsibility of office. I think that that will necessitate some alteration in our House of Commons habits. I think that we will have less to say about party and less to think about party than we have had hitherto, and that we shall lay more and more emphasis upon the responsibility of individual members of this House of voting as responsible members of the House and not merely as party politicians. That is all to the good, as far as this House is concerned. It puts me in this position, however: I have a lively recollection of all sorts of ingenuities practised by oppositions in order to spring a snap division upon a government, so that it might turn it out upon a defeat. I have known bathrooms downstairs utilized, not for their legitimate purpose, but for the illegitimate purpose of packing as many members surreptitiously inside their doors as their physical limitations would allow. I have known an adjoining building, where there happens to be a convenient division bell, used for similar purposes. I have seen the House, practically empty when the bells began to ring, suddenly transformed into a very riotous sort of market-place by the inrush of members, doing their best for their nation, for the House of Commons and for their party, to find a government napping, and to turn it out upon a stupid issue.

I am going out on no such issue. I am sure that no one would enjoy the engineering of those snap divisions more than my hon. friend opposite.

One might almost think the hon. member for West York (Sir Henry Drayton) was facing Mr. MacDonald at the time.

He could do it. On this occasion he will not bag his prey. The Labour government will go out if it be defeated upon substantial issues, issues of principle, issues that really matter. It will go out if the responsible leaders of either party or any party move a direct vote of no confidence, and carry that vote. But I propose to introduce my business, knowing that I am in a minority, accepting the responsibilities of a minority, and claiming the privileges that attach to those responsibilities. If the House on matters non-essential, matters of mere opinion, matters that do not strike at the root of the proposals that we make, and do not destroy fundamentally the general intentions of the government in introducing legislation—if the House wished to vary our proposition, the House must take the responsibility for that variation—then a division on such amendments and questions as those will not be regarded as a vote of no confidence.

I think, Mr. Speaker, that this principle as enunciated there is certainly a sound one, certainly when a House is composed as the present House of Commons is. Every member of the House knows how easy it is to spring a snap vote, even when the government has a large majority. It would have been easy in the last parliament, as well as in former parliaments. No one can expect every member of the House to be in his seat during every sitting of the House. Members of parliament have their correspondence to look after; they have visitors to receive; they have departmental business to attend to, and as far as the members of the government are concerned, we have to work even during sessions of the House. It very often happens, Mr. Speaker, that I am asked by hon. gentlemen opposite to go to my room and meet them on some particular business, and my colleagues have had the same experience. We have even been asked by my hon. friends opposite to meet their constituents on business. Am I to expect that when I am there, at the request of my hon. friends opposite, their associates in the House will take advantage of my absence and take a snap vote? I do not think that would be fair.

I may also say that I think this incident of yesterday may induce hon. gentlemen to consider the inconvenience of having committees sitting while the House is in session, because these committees attract not only the members who compose them, but when interesting matters are being brought up, other members of the House, who naturally go and are interested in the business. I do not think my hon. friends opposite may commend themselves upon this little experience of yesterday. If they want to defeat the government they will have to defeat it on serious matters, in a serious way, and not by reducing parliament to a game of hide and seek.

Hon. J. W. EDWARDS (Frontenac-Addington) Mr. Speaker, the hon. Minister of Justice (Mr. Lapointe) has referred to Mr. Ramsay MacDonald in connection with this matter. I would remind the hon. gentleman of what happened to Ramsay MacDonald when the people had an opportunity of getting after him. I hope my hon. friend will take that to heart, and realize in good time just exactly what will happen to him and to his party when the people have a chance to get at them. The Prime Minister offered the excuse for the vote yesterday that hon. gentlemen opposite were home at supper which of course means that those hon. gentlemen thought more of their supper than they did of the government. We know that they are hungry—not merely physically hungry for that occurs to all of us—but hungry for office. They have shown that very clearly to the country. The facts simply reduce themselves to this, that parliamentary precedents cut no figure whatever with this government. When they find themselves at war with the constitutional precedents and the rules of the House they propose to make new rules and establish new precedents to get them out of any difficulty in which they may become involved. That is the situation before us at the present time. The motion made yesterday by my hon. friend (Sir Henry Drayton) was warranted in every particular. It had reference to a department which at the present time is attracting the attention of every person in this Dominion, and I say it was our right under the circumstances, when the government was asking for a vote for this very important matter of the preventive service, to move the motion which was adopted yesterday and the motion was moved. With all due respect to your ruling, Mr. Speaker, I believe that the rules are established as to the correct procedure for reinstating the committee, and I do not think that the action of the Minister of Customs in making the motion he is making at the present time is in harmony with those rules

Mr. BOIVIN: I have something to say if no one else desires to speak.

Mr. ROBERT FORKE (Brandon): I do not know that I can add very much to what has already been said by hon. gentlemen on both sides of the House. However, I want to give expression to what I would call a common sense view of the situation. I do not claim to be a politician. I have been now four years in this parliament, and I know something more than I did when I first came to this House; but I am perfectly certain that were it possible for the people of this country to be seated in the galleries and watch the proceedings that have happened this afternoon the dignity of parliament would suffer considerably.

Some hon. MEMBERS: Oh, oh.

Mr. FORKE: I have no fault to find with the opposition for having moved the resolution which they moved yesterday, and I am not blaming them for feeling rather good because the resolution was adopted. At the same time I think a great deal more importance is being attached to the fact than is warranted under the circumstances. We all know what those circumstances were. Of course, if it is going to do hon. gentlemen to

my right any good I am quite willing to let them enjoy the incident to the fullest extent. At the same time I might mention what happened in my own case when the vote was taken. The Honourable the Speaker of the Senate and Mrs. Bostock were holding a little reception, and I sauntered down the lobby to spend a few minutes there, and I think I remarked to the Liberal whip whom I met at the reception, "What will happen if there is a vote taken in the House just now? We know what will happen." "Oh," he said, "there is no danger." That is exactly what happened so far as I am concerned personally, but I cannot understand how hon. gentlemen could attach so very much importance to a vote of that kind. However, it is up to the government to keep members in their places and look out for situations such as that.

I cannot understand why taunts are always being directed at those hon. members to the left of the opposition, and why that should be a part of the proceedings every time a debate takes place. The right hon. leader of the opposition knows very well that if he were in the government to-day he could not carry a majority in this House without the help of some of the other parties. Why then in the face of such a situation should the taunt always be thrown out that the government is being carried on by the aid of a third party? It is the only possible way for the government of the country to be carried on in view of the present situation. The right hon. leader of the opposition knows very well that it would be pretty difficult, in view of the situation that has existed during the past few years in parliament, for him to command a majority of members in this part of the House. I am not speaking for all of us, I do not know what they would do under certain circumstances, but why the constant repetition of the taunt to which I have alluded as if there was something disreputable or dishonourable in some of us supporting the government at the present time. We are supporting the government upon its legislative programme, and we are prepared to support them upon that programme. Is there anything dishonourable in that? I would ask hon. members to my right if there is anything wrong with the programme the government is bringing before the House or with the item that was before the House yesterday afternoon. Why not defeat the government upon that item?

An hon. MEMBER: We did.

An hon. MEMBER: You are not here to vote for them.

Mr. FORKE: Well, now Mr. Speaker, hon. members to my right keep repeating the statement that "they did." They know very well they did not do any such thing. It really is surprising that grown up people should play upon words to the extent that they do in connection with what happened yesterday afternoon. I am a little diffident sometimes about talking in this strain because after I had spoken on one occasion the right hon. leader of the opposition characterized my speech as "sanctimonious complacency." Well, I am not so frightened of that term now as I was on the occasion referred to. I was a new member then and my right hon. friend did not have very much mercy on me because I ventured to offer a little criticism with respect to some of the proceedings in the House. But I know how business is carried on now, and I want to tell hon. members on both sides that I am not afraid of anyone here. I hope that we can get down to business, and if the government is going to be defeated upon its legislative programme let it be defeated. That is the way I feel about the matter. I have often made the statement, and I think it is a proper one, that a government should not be defeated except upon a motion of want of confidence. That is when an administration should be really defeated and upon no other vote except one of that character.

An hon. MEMBER: We have not had a chance yet.

Mr. FORKE: Some hon. members seem to be anxious to get a general election. Well, I am not a mind reader but I have an idea that there are a great many members to my right who are not very anxious for a general election at the present time.

Mr. HOCKEN: Give us a chance.

Mr. FORKE: Wait a little, gentlemen. There are more people in Canada than are assembled within the precincts of this House, and I do not think the people of this country are anxious for a general election at the present time. I want you to wait a little bit, wait until the public mind gets a little time to assimilate what has taken place and perhaps after a year or two, or even less, it may be possible, and perhaps the right thing to do, to have a general election. Notwithstanding the taunts about our being afraid of our indemnity in my opinion the country does

not want an election. The duty of parliament is in the meantime to carry on, and when the time comes the people will give some definite indication as to exactly what they want done.

Some hon. MEMBERS: They did.

Mr. FORKE: Hon. members keep repeating, "they did." We all know the circumstances. Then why the necessity for this repetition? The Conservative party did not get a majority of the votes of the people of this country, and why, therefore, keep repeating that statement all the time?

An hon. MEMBER: They got more than the others.

Mr. FORKE: They did get more than the others but they did not get a majority.

Mr. SPENCE: Get over there where you belong.

Mr. FORKE: The proceedings must be carried on by a majority of the votes in this parliament. Whenever a government fails to get a majority upon a question of prime importance it will be defeated. I have ventured to make these few remarks because I think I am in a better position to take an unprejudiced view than are some other members of the House.

Some hon. MEMBERS: Oh, oh.

Mr. FORKE: Very well.

Some hon. MEMBERS: Oh, oh.

Mr. SPEAKER: Order.

Mr. FORKE: All right, gentlemen, you may have your little joke, it does not do me any harm. I will repeat the statement. I am in a better position to take an unprejudiced view than either Liberals or Conservatives at the present time. I have no hesitation in saying so, and I am quite prepared to look everyone in the face and repeat the statement.

Mr. MANION: Why not vote that way some time?

Mr. FORKE: I want to call attention to the fact that in the last parliament on four of the most important divisions I voted three times against the government.

Mr. RYCKMAN: You knew they were going to be sustained.

Mr. FORKE: I am not a mind reader like my hon. friend from East Toronto. It seems to me that when hon. members to my right are in such a joyous state of mind they might have a little courtesy for a member who is making a speech, but apparently they do not like to listen to anything that is not pleasant for them to hear.

Mr. A. L. BEAUBIEN (Provencher): I think the statement of my hon. leader that we should get down to business should have some effect on the hon. members of this House. I feel, in common with my leader, that these suggestions that we should go over to the other side and show our true colours could have been applied with very much more justification in the last parliament to the party to my right than it could be applied to us to-day. If hon. members to my right will take a few moments in their spare time to look up Hansard and Votes and Proceedings they will find that in the last session of the last parliament they voted twice as often with the government as we did, and I resent this idea that the Progressives should always be accused of falling into the hands of the Liberal party, because I am falling into the hands of no party. I have been elected on certain principles and I intend to follow the party which advocates these principles.

Mr. MALCOLM McLEAN (Melfort): Referring to the way in which business is conducted in this House, I should like very much to endorse the statement made a few moments ago by the hon. member for Brandon (Mr. Forke). A few days ago the daily papers of Canada carried a report that an effort had been made to broadcast the debates of the Imperial House of Commons in London, the mother of parliaments. Objection was taken to the broadcasting of those debates on the ground that if they were broadcast the people of the country would lose a great deal of the small amount of respect that they still retained for the dignity of the mother of parliaments. With the Imperial parliament standing in that position—and we know that it has been in that position at various times in the past—it is time for the House of Commons to pay a little attention to its own position and to the opinion which the people of Canada are forming regarding it. There was a time not so very long ago when a very great deal of the respect for parliament in Canada was lost. Much of the lost ground has been recovered, but it would be very easy for parliament to again lose ground if it were not careful. In my humble opinion the respect which the people of our country have for institutions such as the House of Commons is the greater part of the legacy that has been left to us by the Anglo-Saxon portion of our forebears, and if we lose that respect we will

have lost something that cannot be replaced in the life of Canada. The people of Canada elected members to the House of Commons in order that they might assemble in a common meeting place, discuss the problems of the country, differ as they saw fit in a reasonable way, according to the views of the people who elected them, and that they should get down to business as speedily and reasonably as possible. The people of Canada are entirely responsible for the election of members. There is no blame attached to them. They are entirely responsible for the constitution of the House, and as I look over the division lists in Hansard I do not see the name of a single political party in any of the lists. I see the names of hon. members and the names of the constituencies, where two or three members of the same name happen to be in the House, and that is the only distinction that is noted in this House. It is the only division the constitution intends, and the only division the people of Canada in my opinion are willing to support. Wasting the time of the House and acting like boys at play is not in the best interests of the House or of the country and will not tend to increase the respect due to this House by the people. We have been elected to carry on business, and to continually throw sneers at any particular section of the House is not playing the game. The hon. members diagonally opposite me differ from some of us here, but they do not differ from us so much as they differ from hon. gentlemen to the left of the Speaker. But the people of Canada knew what they were doing and the responsibility is theirs. It is only right that their action on October 29 should be treated with all respect. Now that the members of the House have had their fun—I was going to say that they have on various occasions attempted to turn the House into a bear garden—

Some hon. MEMBERS: Order, order.

Mr. McLEAN (Melfort): —I appeal to them to get down to business.

Mr. SPEAKER: Order. I think the hon. gentleman should withdraw that expression. It is not parliamentary.

Mr. McLEAN (Melfort): I did not hear your ruling, Mr. Speaker.

Mr. SPEAKER: I said that the expression "turn the House into a bear garden" was not parliamentary.

Mr. McLEAN (Melfort): I said, if I can remember correctly for this short space of time—

Some hon. MEMBERS: Withdraw, withdraw.

Mr. McLEAN (Melfort): —that I would not use the expression "bear garden," but I will say that they are turning it into a kind of a kindergarten.

Mr. SPEAKER: I think the hon. gentleman should withdraw the statement that hon. members are turning the House into a bear garden. I hope he did not intend to use the expression "bear garden."

Mr. McLEAN (Melfort): I am afraid my hearing is somewhat defective. I had no intention of saying that this is a bear garden. I simply said I would not use the term "bear garden."

Mr. H. C. HOCKEN: (Toronto West Centre): I am sure members of the House, some of whom have been here ten or twenty years, will appreciate very highly the lecture my hon. friend from Melfort (Mr. McLean) has given the House. He undertakes apparently to instruct men who have been here for a score of years as to how they should conduct the debates and at least we can appreciate his kindly interest in trying to teach us how to behave ourselves. But I think his most serious indictment is that which he prefers against the government he supports. The government is the party that should have controlled this House. Evidently the government has not control of the House, and a government that cannot control the House should not be in power. If my hon. friend objects to the course of this debate I do not follow him in his objection. Why should he take any part in it at all and why should he undertake to call this House a bear garden and to charge members with misbehaving themselves? I venture to say, Mr. Speaker, that there are men on this side of the House who have had much longer experience than he has had in parliamentary life and who are quite as capable of knowing how to conduct the debate as he is or ever will be. This criticism is not against the House as a whole; it is against the government because the government is unable to control the House and the sooner a government that cannot control parliament resigns, the better. The hon. member for Brandon (Mr. Forke) said that this party did not get a majority of the votes. I venture to say he will not contend that the policy of the government was supported in the last election. The policy of the government was defeated, and we are entirely within our rights in carrying on this debate in order to show that the government cannot control the House.

Mr. BOIVIN: Mr. Speaker—

Mr. SPEAKER: The reply of the minister will close the debate.

Mr. A. de WITT FOSTER (Hants-Kings): Mr. Speaker, at this stage of the proceedings I rise merely to extend my congratulations to the hon. member for Brandon (Mr. Forke) upon the progress he has made in the direction of independence since the day when the House first met. It will be interesting to you, Sir, I am sure, to remember that during the first days of the session, when the Speech from the Throne was more or less hazy in the minds of hon. gentlemen, there was not the same spirit of courage that we find manifested to-day on the part of that hon. member. He has progressed by easy stages along this line until to-day, after various explanations of the Speech from the Throne and subsequent legislation have brought pleasing news to him and some, if not all of his friends, he is able to announce to the House that he is in a position where he cares for no one on either side, for neither party. That is the nearest approach we have had to a definite statement that "I am in control of the House and I fear neither party." Therefore I congratulate the hon. gentlemen, being always pleased to observe a courageous attitude on the part of a courageous man.

I am sure the country is following the proceedings of this House with a degree of interest which has not in many years been manifested, and particularly the debate we had yesterday on the estimates and the results growing out of that discussion. No one suggests that there was any impropriety on the part of the opposition in discussing the items that were before the House as presented by the Minister of Customs and Excise (Mr. Boivin). This is the first opportunity I have had of saying that I feel like congratulating the Minister of Customs and Excise upon certain characteristics which he has manifested in this House. They deal more or less with his personal relations to the situation and the presentation of his estimates, the courteous manner which he has in the main assumed.

But we came in the discussion of these estimates to a sharp difference of opinion. The opinion expressed by himself and his supporters indicated their desire to have the items in question called at once. A difference of opinion arose. Knowing that the government had nearly a year ago obtained a vote of $350,000 and that they had that amount of money in their hands for nine or ten months, we on this side have some idea to-day as to the manner in which they have attempted to utilize that vote in the administration of the affairs of the department. The minister himself tells us that he is not satisfied with the manner in which they performed under those circumstances or with the results which they obtained. We come to this point—and I wish to make this clear if I can—that this vote of $350,000 which the minister is endeavouring to re-establish before the House, ought not to pass and discussion on it should cease until we have some further report from the committee which is now sitting upon the various items of investigation into the Customs department. That was the situation leading up to the motion which was made yesterday by the hon. member for West York (Sir Henry Drayton) when he moved "that the Chairman leave the chair", because that was the only weapon we had in our possession. It has been clearly pointed out by the leader of the opposition (Mr. Meighen) and those associated with him that the motion of the minister does not reinstate this item before the House. With that question I do not propose to deal, but I submit that the argument that we have made in this House is a sound one and I believe that the country will stand by the position we have taken. As regards characterizing the vote as a snap vote, I do not think that is serious enough to merit the attention of the House for any length of time. In connection with the remarks of the hon. member for Melfort (Mr. McLean), I do not believe that on reflection he will feel like repeating the criticism that he made of hon. members.

Mr. BOIVIN: I have only a word or two to say in reply to the remarks that have been made by hon. members on both sides of the House in connection with this motion. I do not propose for a moment to refer to the manner in which the vote was brought about, nor to enter into a further discussion as to the reasons why the majority was large or small. I want, however, to point out that the hon. member for West York (Sir Henry Drayton) stated quite clearly and I think he desired to convey not only to the House but to the public the idea that his motion "that the Chairman leave the chair" was for the purpose of preventing the adoption or further consideration of the two preventive service items in the estimates of the Department of Customs and Excise. Why was my hon. friend obliged to make that motion when those two items had not yet been placed before the committee, when they had not even been read by the Chairman and when they were not legally under discussion at all. The leader of the opposition gave the secret away; he let

the cat out of the bag. He said: "At half past five I came into the House; I sat beside the hon. member for West York and he was then desirous of making this motion that the Chairman leave the chair." I repeat that at that time, I had not suggested nor requested that the two preventive service items be passed nor even that they be considered by the committee.

Mr. MEIGHEN: Two or three minutes afterwards.

Mr. BOIVIN: Hansard will bear me out. If hon. members will look at Hansard at page 1684 they will see that for the first time in the course of my remarks, not more than three or four minutes before the motion was made I said:

I hope my hon. friends will allow the preventive service items to go through at once.

The discussion—

Sir HENRY DRAYTON: We had been discussing them for hours.

Mr. BOIVIN: Discussion had taken place during the entire afternoon concerning the preventive service as linked up with the previous item that had first been considered on Tuesday. In order that there may be no misunderstanding let me say that when we went into supply on Tuesday last, the first item called was: "Salaries and contingent expenses of the several ports in the Dominion." That will be found at page 1597 of Hansard. The proposal was made that the different items be discussed separately. At page 1598 the Chairman asked the question:

Is it the pleasure of the House that the resolution be considered item by item?

The hon. member for West York (Sir Henry Drayton) was the first to agree. That method was adopted. Yesterday when the committee met the Chairman proceeded to again read the item:

To provide for expenses of maintenance of revenue cruisers and for preventive service, $376,510.

That is an item that has been in the estimates for many years. The two special preventive service votes were never read by the chairman nor regularly before the committee, and being misled—I will admit that I was misled by the smiling countenance of my hon. friend as well as by the apparent abandon, courtesy and interest with which the questions were being asked and answered and by the spirit of forbearance which apparently existed at the time—I jokingly requested—

An hon. MEMBER: Jokingly!

Mr. BOIVIN: Yes, I said "jokingly"—I jokingly asked my hon. friends if they would allow the preventive service items to go through. I knew that they had not been read by the chairman and I was aware that even if the hon. member for West York consented, they would have to be called by Mr. Chairman before they could be passed. Still I asked him if he would allow the items to go through, inasmuch as according to his own admission, they had been discussed throughout the entire afternoon. At page 1685 the hon. member for West York in putting his motion "that the chairman leave the chair" made the statement that he did so to prevent these items from being considered.

In view of that statement, I ask the hon. member why he did not take that step before. It is evident that the motion was made for the purpose of securing a snap division and embarrassing the government. We have been asked by some hon. members on the other side of the House to resign, and to admit that we have not a majority in this House. I say that the government is supported by a majority of the people of Canada, and while it may sometimes be defeated on snap divisions, it will not surrender to the Conservative party.

Mr. MEIGHEN: I rise to a point of order, Mr. Speaker. We have been discussing this matter as though it were the motion.

Some hon. MEMBERS: Order.

Mr. MEIGHEN: What I debated when on my feet was the point that the motion of the minister cannot revive an item which has been killed in the estimates and consequently is out of order.

Mr. SPEAKER: Mr. Boivin moves, seconded by Mr. Cardin:

That resolution No. 349 of the estimates for the fiscal year ending March 31, 1927, be again referred to the committee of Supply.

To this motion the hon. member for West York (Sir Henry Drayton) takes exception, contending that resolution 349 having been killed by the motion carried yesterday, that the chairman leave the chair, it cannot therefore be revived. I take it for granted that the point of order raised by the leader of the opposition (Mr. Meighen) is that the motion now before the chair should have been preceded by notice.

Mr. MEIGHEN: No, Mr. Speaker. May I explain?

Mr. SPEAKER: Rather, I should say, it should have been reintroduced with a new message.

Mr. MEIGHEN: That is right.

Mr. SPEAKER: The point is that a new message should have been read to the House from His Excellency. The right hon. gentleman also mentioned something about a notice.

Mr. MEIGHEN: No, Mr. Speaker, I did not.

Mr. SPEAKER: Then I am under a misapprehension. At all events, the position of the hon. member for West York is that resolution 349 having been killed by the committee rising, it cannot be revived by the said motion. I was under the impression that I had inferentially decided that point in the preceding ruling which I gave a moment ago, but I have no objection to deal with the matter again. Redlich, at page 202, volume 2 says:

> There is also another motion which may be brought forward in committee at any time, and which also has the effect of bringing its sitting to an end, namely, "that the Chairman do now leave the chair." The carrying of such a motion has a more far-reaching effect; it causes the order of the day—for the discussion of such and such a subject in committee of the Whole House—to drop entirely; a renewed order for the constitution of the committee must be made by the House before the discussion can be resumed.

The motion made by the Minister of Customs (Mr. Boivin) is intended to revive the item under discussion when the committee rose without reporting. As regards the subject matter under discussion at the time the vote was taken, as a result of which the item dropped, let me again quote Bourinot at page 400:

> If the motion "that the Chairman do now leave the chair" is carried, then the business of the committee is superseded, but the original order of reference remains and it is competent for the House to resolve itself again into committee on the same subject for the committee itself has no power to extinguish a question.

In yesterday's proceeding of the committee of Supply no report of progress was made, nor was the leave of the House asked that the committee should be allowed to sit again. The whole matter was consequently left in the air. The committee will, however, be revived by the motion of the Minister of Finance passed a moment ago, and the question now is, shall that committee have the right to discuss a particular matter which it had under consideration on a previous occasion, when it lapsed, namely, resolution No. 349? The point, as Bourinot indicates, is perfectly clear: though the business of the committee be superseded the original order of reference remains.

[Mr. Speaker.]

Now, what is the order of reference in the present instance? It consists of the estimates which were submitted to the House by the government for reference to the committee of Supply. I had my doubts as to the necessity of again referring the resolution in question to the committee, but it seems to me that all misapprehension in the matter will be obviated if this motion is carried. It is true that the authorities on parliamentary procedure, Bourinot amongst them, regard the reference of the whole of the estimates to the committee as one reference. But Bourinot says also that each item becomes a resolution by itself. Therefore the resolution of yesterday, having been left, so to speak, in the air by the fact that the committee rose without making any report, I am perfectly satisfied that it would remove any doubts as regards the reconsideration of resolution No. 349 should there be any, if this motion is carried.

It is my ruling that this motion is in order.

Is it the pleasure of the House to adopt the motion?

Motion agreed to.

PRIVILEGE—Mr. BOURASSA

On the Orders of the Day:

Mr. HENRI BOURASSA (Labelle): Mr Speaker, before the orders of the day are called I suppose I may use another five minutes of this lost time on a question of privilege. On coming back to Ottawa this morning I noticed that my good neighbour the member for Winnipeg North Centre (Mr. Woodsworth) yesterday thought it necessary to put himself right before the loyalists of this country by explaining why he had been sitting during some singing performances.

Some hon. MEMBERS. Order.

Mr. LAPOINTE: The hon. member is perfectly in order.

Mr. BOYS: Do you call singing the national anthem a musical performance?

Mr. BOURASSA: The hon. member may keep his seat, sullenly or joyously as he likes, while I explain my position. Like the hon. member for Winnipeg North Centre, I am not a singer, and from the experience I have had in listening to singing in this House, I am happy that I am not one of the inflicters of the so-called "singing" upon those members of the House or those in attendance in the galleries who by education or by inheritance at least have some degree of musical taste. I might explain that I never caught

the difference by the tune as between the drinking and other songs by which the House of Commons in its dignity expressed its feelings and the national anthem.

Some hon. MEMBERS: Oh, oh.

Mr. BOURASSA: I must say I did not notice the difference. But I want to add, Sir, if it will please the pillars of the empire and the upholders of the dignity of the crown, that if I had caught in the noise made by the party opposite of mewing or barking that there was any intention of coupling the name of the king with the performance, I would still have sat in protest against that kind of thing. I do not frequently boast of my loyalty to the king—

An hon. MEMBER: Naturally not.

Mr. BOURASSA: Quite so. I do not make it my stock in trade.

An hon. MEMBER: Naturally not.

Mr. BOURASSA: Quite so. I have learned my attachment to the British crown by my study of British history and by my contact with British institutions and in the British parliament, where such performances would not be tolerated. I remember one instance at a late hour of the night—

Mr. MEIGHEN. Mr. Speaker, I rise to a point of order. I do not dispute the hon. gentleman's right to refer to any incident in the House and make a statement regarding it; but I do dispute his right to enter into a controversial argument about the merits of that incident.

Mr. SPEAKER: I think the right hon. gentleman is perfectly right. The hon. member should confine himself to the question of privilege at issue.

Mr. BOURASSA: Very well, Mr. Speaker. My point on the question of privilege is that in about a dozen or so newspapers—I have not read them or counted them, but I was so informed by my friends in Toronto—and I have some excellent friends there—

An hon. MEMBER: They don't know you.

Mr. BOURASSA: Oh yes, they have known me for twenty-five years. It is precisely because they know me that I keep such a good remembrance of them and they keep an equally good remembrance of me. I was told that all through the Tory Orange press of Ontario this incident was given out—

Some hon. MEMBERS: Order.

Mr. BOURASSA: —was given out in about the same terms as employed by one of those papers mentioned by the hon. member for Winnipeg North Centre yesterday—I do not recollect its name. I want to say this, Sir, that I have no objection to members of this House expressing their joy or their sorrow either before or after a vote in any way they choose; but I have always considered that as a matter of dignity this was not the place or the time to mix up the national anthem with various other songs. Always when I was in the House many years ago I refused to stand up when the national anthem was sung in that manner. I propose continuing to do so. Every time the national anthem is sung properly, with dignity and propriety, I pay to it the homage which is due to the king, to his name and to his authority. But I do not take my lessons of loyalty from any political party, nor do I propose to—

Mr. SPEAKER: Order. The hon. member has, I think, stated his case perfectly well, and the House understands that he protests against the unseemly remarks which have been made against him by certain newspapers. A question of privilege will be brought at this stage of the proceedings, but it must be presented so as to consume as little time as possible to permit him putting himself right before the House.

Mr. BOURASSA: Quite right, Mr. Speaker. I bow to your ruling, both from the point of view of rule and of common sense. I suppose it was the atmosphere created this afternoon which caused me to go a little beyond the usual length. I merely add this, Sir, that I have learnt also from my knowledge of procedure in the British House of Commons, that if there is a place in the United Kingdom where the national anthem ought not to be sung it is in the House, where the name of the king should never be mentioned. I propose to stand by the traditions, the rules and the customs of the House of Commons in England in this respect.

LAKE ERIE FATALITY

On the Orders of the Day:

Mr. E. J. GOTT (South Essex): Mr. Speaker, may I ask if the lake Erie fatality of March 1 has ever been drawn to the attention of any department of the government? This fatality having occurred in the constituency which I have the honour to represent in this House, I feel in duty bound to bring it to the attention of the government. Let me quote from the Border Cities Star of March 18 in which, under the heading, "Lake

search is abandoned: fate of five to remain mystery," the following despatch appears:

Search for the bodies of the Phipps family, held beneath the ice of lake Erie, was definitely abandoned Wednesday. No further effective measures for their discovery can be taken until the lake is clear of ice.

This news was brought back by the party under Harry Ford, which returned to Leamington about 4 p.m. Wednesday after spending all day at the lake. Mr. Ford declared the ice is now too treacherous to be ventured on. The party cut some channels, clearing about 10 square yards, near the spot where the auto is believed to have disappeared. Over this area, a boat was used, and dragging was carried out, but unsuccessfully.

Mr. Ford has decided not to communicate with the Ontario Hydro Commission with regard to the use of electrical devices. He believes electricity would not be effective through the ice.

Charles Neale, noted exponent of the "divining rod," left last night for Cottam, and he expected to be back home in West Lorne to-day.

Mr. Ford now plans to wait until the ice has all disappeared. Then, when a calm day comes, a search will be made in boats for oily patches on the surface of the water. There is just a faint hope of such being discovered, but Mr. Ford believes there is a possibility of oil indicating the position of the sunken car.

With the permission of the Prime Minister I would like to submit a portion of a letter which I received from one of my constituents.

Some hon. MEMBERS: Order, order.

Mr. GOTT I said: "With the permission of the Prime Minister." This bears directly and entirely upon this fatality. Have I the privilege?

Mr. MACKENZIE KING: Yes, certainly.

Mr. GOTT: Thank you. This letter is from Leamington, Ontario, under date of March 6, although it was not received by me until Monday of this week. It is as follows:

Since the accident here last Monday. in the casualty list were included a man by the name of James Phipps, his wife, and three children between three and ten years of age, who took a plunge through the ice somewhere between Pelee island and Leamington in a closed Ford sedan. The present situation is a crime against the people of the mainland and the island. Something surely must be done. The island has been cut off from the mainland this winter and isolated on account of a broken cable, and there has been no communication whatsoever with the mainland. This service between two sections of Canada lying within fourteen miles of each other is so deplorable as to be pathetic. The ill-fated party and car lay on the bottom of lake Erie from Monday afternoon until Thursday before the fatality was discovered. Both terminals were unconscious of what had transpired, the island supposing the party had landed safely, and the mainland content to think they had remained on the island, whereas they were resting beneath the ice and waters of lake Erie.

It is worth while for the government to think it over. Five human lives were lost in one dive, which is too many to go on record. The island is in dire need of assistance, and I should like to ask the government if, in the cause of humanity, they would be moved to immediate action by way of monetary assistance in locating the bodies.

Mr. MACKENZIE KING: I fail to see the necessity of putting in that letter or the newspaper clipping to have the government take any action in a matter affecting human life. I am sure if my hon. friend had called upon the Minister of Marine and Fisheries (Mr. Cardin) this morning, he would have been able to satisfy his own mind as to what the government would be prepared to do, and what the government is in a position to do. The Minister of Marine and Fisheries is not in the House at the moment, but I will see that the remarks of my hon. friend are brought immediately to his attention, and I can assure my hon. friend that if this government can deal with the matter—and if it has not already been dealt with—to the extent of our authority it will be taken up.

5 p.m.

CHICAGO DRAINAGE CANAL

CONSTRUCTION OF LAKE IN NORTHERN ONTARIO

On the Orders of the Day:

Mr. J. R. O'NEILL (North Timiskaming): Mr. Speaker, I should like to ask a question which I intended to put to the hon. Minister of the Interior (Mr. Stewart, Edmonton), but which, as he is not in the House, I shall put to the Prime Minister. A great deal of publicity has been given a suggestion or scheme to meet the present situation resulting from the Chicago water steal, and this has greatly disturbed the people in the north country. As you understand this suggestion predicates an absolute disregard for the natural resources of the north country. The plan appears to be to divert the waters flowing northward and to establish an immense lake in the north. I should like to ask the Prime Minister whether those back of this plan are spokesmen of the government, or if they are harbingers of the proposals of the government in this respect. In the absence of the Minister of the Interior, however, we might have a more decisive reply from the Prime Minister if I were to put the question in another way. Would the Prime Minister make an ex cathedra pronouncement to the effect that all surplus waters of navigable streams belong to the province in which the streams happen to lie?

Right Hon. W. L. MACKENZIE KING (Prime Minister): My hon. friend began with one question and ended with another. I think the last question is really a constitu-

tional one, and will call for an answer from the Department of Justice. If my hon. friend would like an answer from the Department of Justice, I have no doubt he can get one in due course.

Mr. O'NEILL: Would it be in order to expect an answer from the hon. Minister of Justice under the present circumstances?

Hon. ERNEST LAPOINTE (Minister of Justice): Not upon the orders of the day.

CANADA-WEST INDIES TRADE AGREEMENT, 1925

Hon. J. A. ROBB (Minister of Finance) moved that the House go into committee to consider the following proposed resolution:

Resolved, That it is expedient to introduce a measure to approve of the agreement dated the sixth day of July, 1925, between the government of the Dominion of Canada and the governments of certain of His Majesty's colonies in the West Indies, which agreement is termed "Canada-British West Indies-Bermuda-British Guiana-British Honduras Trade Agreement, 1925," and to provide:

1. That after the said agreement is brought into force, and so long as it remains in force, goods mentioned in the said agreement, the produce or manufacture of any of the colonies parties to the said agreement, which are conveyed without transshipment, except transshipment at a port of any of the said colonies, by ship direct into a sea or river port of Canada, shall be admitted to Canada at the rates of duties provided in the said agreement.

2. That the tariff concessions covered by the said agreement to be extended to goods the produce or manufacture of any of the said colonies shall be so extended with respect to any one or more of the said colonies which may have ratified the said agreement on and after a day to be fixed by proclamation of the Governor in Council, which proclamation shall be published in the Canada Gazette.

3. That subject to the provisions of the Customs Tariff, 1907, the Governor in Council may, by order in council, extend the said advantages to goods the produce or manufacture of any British country.

4. That the operation of all laws inconsistent with the giving to the provisions of the said agreement and of any act that may be founded on this resolution their full effect shall from time to time be suspended to the extent of such inconsistencies.

5. That subject to the ratification of the said agreement by the various colonies which are parties thereto, and to the fulfilment of their undertaking to make the contributions on their behalf as specified therein, the Governor in Council be empowered to make such arrangements as may be necessary to carry out the provisions of the said agreement relating to the establishment of steamship services between Canada and the colonies concerned, and any expenses incurred in carrying out the said agreement shall be defrayed out of moneys provided by parliament for that purpose.

He said: Before you leave the chair, Mr. Speaker, I should like to place on the record some of the provisions of the agreement, and to give a brief history of the negotiations carried on from year to year between Canada and the islands of the West Indies. The West Indies islands represented in this agreement have a population of roughly 2,200,000 persons, as compared with a population of 1,218,913 in New Zealand and 5,435,734 in Australia, according to the last census.

Mr. MEIGHEN: How is that divided?

Mr. ROBB: I could not tell my hon. friend; I have not the details. The government of Canada, or rather the people of Canada, have recognized for many years the importance of trade relations with the West Indies. This agreement which will be submitted to parliament is one of a series of agreements which have been made from year to year. Thirty-five years ago, in 1890, the government of the day sent to the West India islands Sir George Foster, then Minister of Finance, in an attempt to arrange commercial reciprocity between Canada and the British West Indies. No results crowned his efforts, for at that time the West India governments were negotiating with the United States for a favourable treatment under the McKinley Tariff Act, and they thought that if they granted a reciprocal preference to Canada, the United States would penalize West Indian sugar, one of the great products of the West India islands, and the main product of the colonies at that time. In 1897, seven years later, a royal commission investigated conditions in the West Indies, and reported that the views of the West Indies estate proprietors remained unchanged. In 1896 there was a change of government in Canada. In 1898 Mr. Fielding extended to the British West Indies the Canadian preferential tariff, and in the course of his budget statement pointed out the large opportunities that existed for the development of trade between Canada and those islands. Accepting Canada's imperial responsibilities Mr. Fielding then extended the preference without asking for any concessions in return. In 1900 the preferential reduction on British imports into Canada was increased from 25 per cent to 33⅓ per cent, but our trade with the West India islands still remained at a low level. The same year however, Trinidad sent delegates to Ottawa, and as a result the Canadian government made a proposal to the Trinidad government for a reciprocal trade arrangement. This failed to materialize into legislation. Apparently the people of Trinidad were not prepared to grant to Canada the preferences which we desired.

In 1903 the Brussels convention brought the West Indian sugar question again to the fore. This convention, which aimed at the abolition of the bounties on the production of sugar brought in its train the disappearance of

the American countervailing duties on bounty-fed sugar, and made the American market less attractive to the West Indian growers. In the same year Canada imposed a surtax on German importation into our country.

By 1903 the Spanish-American war had ended, and the effect of Porto Rico becoming a part of the United States was felt, because sugar from that country was imported into the United States free of duty, and a similar treatment was extended to importations from the Philippines and a reduction of 20 per cent to those of Cuba. This practically ended, for the moment, the export of sugar from the British West Indies to the United States. These three circumstances influenced the desire to commence fresh negotiations between Canada and the West Indies which later on brought about a measure of trade agreement with the West India islands. Negotiations were opened between Canada and the West Indies and British Guiana, including proposals for a reduction of 10 per cent on importations from Canada and the United Kingdom. Likewise in 1904 Trinidad revived the proposals of 1900. The proposals which Trinidad had rejected in 1900 they were prepared, apparently, in 1904 to accept.

I said a moment ago that all Canadian governments had been anxious to effect commercial relations with the British West Indies. In so doing these governments were only representing the views of the people, because we find that in 1907 the boards of trade of Toronto, Montreal, St. John, and Halifax sent a commission to the West Indies to study trade conditions. In that year the groundwork was laid for the holding of a conference at Barbados in 1908 to consider the steps which might be taken to encourage closer trade relations with Canada. This conference was held in January, 1908. Canada was represented by two delegates, and practically all the colonies were represented. The representatives, however, had no power to bind their governments, and only a general exchange of views was possible. The Canadian government, realizing the difficulties involved in the conclusion of separate reciprocal agreements with each of the colonies, proposed that a conference organized by imperial authority should take place. Accordingly in 1909 a commission was appointed by Great Britain, headed by Lord Balfour of Burleigh, who was chairman of that commission. The commission, I am told, consisted of five members. The Canadian representatives on that royal commission were the Hon. W. S. Fielding, then Minister of Finance, and the Hon. William Paterson, then Minister of Customs. This commission visited the principal cities of eastern Canada. Later all the members excepting Mr. Fielding visited the West India islands. During the same year the commission met in London, England, and drafted a report which was presented to the King's Most Excellent Majesty. A suggested form of agreement was presented with this report. The visit of the royal commission was not without results, because we find that in 1912 the first West India conference was held in Ottawa. In that year representatives from most of the islands and British Guiana visited Canada, and an agreement was entered into, the terms of which were practically the same as those of the suggested agreement of the West India commission of 1909.

The conference which took place in 1912 at Ottawa granted special tariff reductions on a few selected West Indian products, including sugar, and in addition a preferential rate of four-fifths of the general tariff on some other goods. The Canadian statute ratifying the new pact left the British West Indies in enjoyment of the regular British preferential schedule in any cases where it should happen to be more favourable to them than the new treaty preference. The agreement secured for Canada a corresponding preference of one-fifth of the ordinary duty in Trinidad, British Guiana, Barbados, Grenada, St. Lucia, St. Vincent, Antigua, St. Kitts, Nevis, Dominica, and Montserrat on various food products, animals, boots and shoes, machinery, vehicles, soap, cement, calcium, carbide, furniture, lumber—in all, articles specified under forty-seven tariff headings. On flour the preference was to be not less than 12 cents per hundred pounds.

In 1920 another conference was held and at this conference Jamaica, the Bahamas, British Honduras and Bermuda joined in the discussion. These four colonies had not been members of the 1912 conference, and all with the exception of Bermuda later on ratified the agreement. The act of parliament bringing the latter agreement into effect was assented to on May 3, 1921. I imagine my right hon. friend (Mr. Meighen) was then the Prime Minister of Canada. The act provided that the agreement should come into force on a day fixed by proclamation by the Governor in Council, which was made on the 18th June, 1921. It was provided that the agreement should remain in force for ten years from the date of the proclamation and thereafter until terminated by twelve months' notice given either by the government of Canada or by the government of any of the colonies. This agreement is still in force.

The 1920 agreement was more general than the agreement of 1912.

Mr. MEIGHEN: Can the minister say at what time the agreement was ratified by the last of the West India colonies?

Mr. ROBB: The agreement of 1920?

Mr. MEIGHEN: Yes. When did it finally go into effect?

Mr. ROBB: I will try to get that information for my right hon. friend. I do not think I have it at my hand now.

Mr. MEIGHEN: It would be in the fall of the year.

Mr. ROBB: On a few articles such as flour from Canada and sugar from the West Indies, special treatment was given. As I have stated a moment ago, under the agreement of 1912, the preference given to Canada on flour was 12 cents per hundred pounds. Under the agreement effected in 1921—better known as the 1920 agreement, it came into force in 1921—Canada granted a preference of not less than 50 per cent and the West Indian colonies reciprocated with a preference varying from 50 per cent to 25 per cent. This arrangement was ratified by Canada and by the colonies, the Bahamas and British Honduras granting larger preferences than the agreement called for.

Mr. ARMSTRONG (Lambton): The minister was about to make a statement in regard to the increased preference in respect to flour.

Mr. ROBB: I was. My recollection is in respect to flour under that agreement that we obtained a one shilling preference.

In June, 1925, a further conference was held in Ottawa to meet changing conditions and the agreement then made is now before the House.

The British West Indies lie considerably to the south of Canada. Their products are those of a tropical climate and do not enter into competition with our agricultural products. Canadian agriculture, the fishing and lumbering industries and dairying especially, together with certain branches of manufacturing, stand to gain materially from the new pact, whilst such West Indian products as bananas, sugar, molasses, coffee, cocoa and citrus fruits will either enter Canada duty free or be admitted under a lower rate than similar products from foreign countries.

The preferences granted Canada are divided into two classes, special and general. The special preferences apply to a selected list of products in which Canada is especially interested, and are greater than the general preferences. The latter apply to all goods not receiving special preferences. For example, Trinidad, Barbados and British Guiana agree under the general preference to charge practically all imports from Canada only half, British Honduras, Leeward and Windward islands two-thirds and Jamaica three-quarters of the duty levied on goods from foreign countries.

As regards special preferences, the western group of colonies consisting of Jamaica, the Bahamas, and British Honduras impose a duty on Canadian flour of two shillings a barrel less than on foreign flour and duties of not more than half those charged foreign countries on butter, cheese, lard, condensed milk, fish, apples and potatoes. In the eastern group of colonies, British Guiana, Trinidad, Barbados and other West Indian colonies also give Canada a preference of two shillings a barrel on flour and a preference of not less than 66⅔ per cent on apples, pork, beef, lard, butter, cheese, fish, condensed milk, boards, planks, scantlings, shingles and lath, cement, prepared cocoa, confectionery, boots and shoes and cordage. It is also provided that on these items the preference shall not be less than a fixed amount.

Turning for a moment to navigation, it is admitted that the key to a successful trade with the West Indies lies in satisfactory steamship service between the colonies and Canada.

Previous to 1900, a subsidized steamship service between Canada and the West Indies was being performed by Messrs. Pickford and Black of Halifax. This subsidy was for $63,000 annually. The service was continued under a year to year arrangement until 1900, when the British government undertook to pay half the cost of the steamship service and a new contract was made with Messrs. Pickford and Black whereby they received $65,700 from Canada and a like amount from the British government. They were to maintain a fortnightly service, the vessels starting alternately from St. John and Halifax. This agreement was for five years. Towards the end of the period of the contract, the British government signified that it was not altogether satisfied with the service, the desire being to have a fast through service to Barbados, Trinidad and British Guiana, which would be supplemented by a service of slow cargo boats. Negotiations were opened with other companies but the Pickford and Black company received the contract for a twelve-day service. This was carried on until 1911, when the British government declared that it could not see its way to continue paying its portion of a subsidy based on the old arrangement.

I am not going further into that part of the agreement but I will refer to the royal commission of 1909. The royal commission reported in favour of a weekly service and also that there should be fortnightly sailings from Halifax and fortnightly sailings from Montreal during the season of navigation.

The proposals of the British government made in 1911 fell through and Canada was left to pay the whole subsidy. The Dominion renewed the contract with Messrs. Pickford and Black and in 1912 the subsidy was increased to $100,000 per annum. The Royal Mail Steam Packet Company commenced a service in November 1913, at an annual subsidy of £70,000. They did so with some reluctance and only at the request of the Canadian government. I think it is only fair to the company to emphasize the fact that they have been carrying on the service at the urgent request of the Canadian government, both this government and preceding governments. The Royal Mail Steam Packet Company have frequently represented to us that if they had a longer contract they would be prepared to give a more favourable service. I have before me a memorandum which I desire to place on the records in justice to that company.

Sir GEORGE PERLEY: Is the Royal Mail Steam Packet Company still carrying on the service?

Mr. ROBB: Yes.

Mr. HANSON: And at the same subsidy?

Mr. ROBB: Yes, at the same subsidy. The memorandum reads as follows:

The Royal Mail Steam Packet Company commenced this service in November 1913, at an annual subsidy of £70,000. They did so with some reluctance and only at the request of the Canadian government. They had experienced a good deal of difficulty in finding suitable boats, in view of the peculiar conditions on this route, which require a type of vessel very difficult to obtain. Such a vessel must have a fair average speed, considerable passenger accommodation, capacity for several thousand tons of freight and in addition must draw not more than 18 feet of water, in order to get over the bar at Demerara.

The company were finally successful in obtaining four suitable boats and with them undertook a five-year contract, expiring on October 31, 1918.

Since that date the service has been renewed for short terms, either by contract or by order in council, nine separate times and in each case the renewal has been made at the request of the Canadian government, in order to give further time in which to arrange for an improved service.

The Royal Mail Steam Packet Company have been very reluctant to continue the service with the old boats put on in 1913, which they stated were out of date, but it has been impossible to find any other boats suitable, and the only way to improve the service is to build boats specially for the trade.

On two separate occasions tenders have been called for an improved service, and in each instance the Royal Mail Steam Packet Company was the only tenderer. In addition to this the company made a special offer in 1924, reducing their previous figure by about $50,000 a year, but by this time it had been decided to call another conference with representatives of the various West Indian Colonies, and the service has, therefore, been continued at the express request of the Canadian government on the same terms as before until such time as the tenders, which were recently called for, have been opened on April 6th, and until the government announces what the result will be.

The Royal Mail Steam Packet Company have lodged complaints at various times because the Canadian Government Merchant Marine have entered upon that service; we have a complaint before us now that the Canadian Government Merchant Marine have two boats going out at the same time. But in 1921 we signed an agreement with the West-Indian islands providing for a certain service, and had the Canadian Government Merchant Marine boats not entered on that route, we would have been compelled to pay a subsidy for additional boats to meet the requirements of the agreement, and those in Canada who import large quantities of goods from the West Indies would have been deprived of that service.

The Canada-West Indies trade agreement of 1920 contemplated an improvement in the service between Canada and the West India islands to the extent of making it weekly instead of fortnightly and also of putting on larger and more up-to-date vessels.

Mr. ARMSTRONG (Lambton): As regards the government merchant marine vessels, might I ask the minister as to the number of vessels, and the tonnage, if he can give it?

Mr. ROBB: My recollection is that there are four. I have not the tonnage, but I may be able to get it for my hon. friend in committee.

In 1921 Canada called for tenders for the service but received only one tender which was from the Royal Mail Steam Packet Company. They did not specify any particular amount of subsidy but merely asked for a guaranteed return of seven per cent on the cost of the new vessels which it would be necessary to build for the service. This tender was not acceptable to the Canadian government, and the company's old contract has been renewed from time to time, expiring, I repeat, on the 31st March of this year. On March 14, 1923, tenders were again called for this service, but in view of the fact that it had been demonstrated beyond doubt that there was not traffic on this route to support a weekly service with large vessels, the call for tenders specified merely a fortnightly service.

The only tender received on this occasion was from the Royal Mail Steam Packet Company who offered a service in accordance with the trade agreement of 1920—and hon. members must bear in mind it was to meet that agreement of 1920 that we were asking for this additional service—for an annual subsidy of $585,000. That offer was not accepted. The company made a special offer in 1924 reducing their previous figure by about $50,000 a year, but by this time it had been decided to call another conference with representatives of the various West India colonies, and the service has therefore been continued as I have already stated.

In addition to this subsidized service provided by the Royal Mail Steam Packet Company, and so as to fulfil our obligations with the British West Indies to put on additional boats, freight vessels of the Canadian Government Merchant Marine are plying beween Canadian ports and the West Indies. The former steamship service is admitted by all to have been inadequate. The new agreement provides for a first-rate service with weekly sailings the year round. From Maritime province ports a 12-knot freight, passenger and mail service using vessels of 5,000 to 6,000 gross tons and with accommodation for 230 passengers each, will be provided fortnightly to Demerara and intermediate ports. Supplementing these sailings there will be alternate fortnightly freight sailings from ocean ports in winter and river ports in summer, using slightly smaller vessels with a speed of 10 knots. To the cost of these services which are to be supplied by Canada, the eastern group of colonies will contribute about $142,000 a year.

Mr. MacLAREN: What is the tonnage of the steamers that are at present in service?

Mr. ROBB: I stated in reply to the hon. member for East Lambton a moment ago that I have not the figures before me, but I may be able to give them to my hon. friend in committee. I think the tonnage was that provided under the agreement. May I say in passing that this agreement as regards sailings between Canada and the British West Indies does not differ materially from the agreement of 1921.

To the colonies of the western group, with Kingston, Jamaica, as the terminal port, similar passenger, freight and mail services are to be supplied. Refrigeration for 70,000 stems of bananas on the large steamers and for 50,000 on the small ones, and for Canadian perishable products, is to be provided. The colonies served will contribute about $87,600 per year toward the service.

A few moments ago I gave to the House the population of the British West India Islands as approximately 2,200,000. Hon. gentlemen will be interested to know what are really the trade possibilities with those islands, and I have under my hand a brief review of the trade possibilities which I would like to place upon Hansard. In the year 1924, the last year for which the total trade for each of the West India islands is available, Canada's exports to the West India colonies amounted to about $18,000,000. The total imports of these colonies were over $90,000,000. From this it will be seen that Canada enjoys approximately one-fifth of the trade of the West Indies. By the present agreement it is hoped to widen this market.

Mr. ARMSTRONG (Lambton): Could the minister give some idea whether the $18,000,000 worth of imports into the West Indies were of similar nature to the $90,000,000 worth as a total, or in what proportion?

Mr. ROBB: I have not that, but this fact stands out, that in some items which I have already enumerated and which I may come to again, we have a preference that will give us an absolute monopoly of that market. Under no conditions has any other country a greater preference than Canada; we have as great a preference as is given to any other country.

The trade with Canada for the first and last fiscal years under the first agreement, and the trade for the last fiscal year under the second agreement, are as follows:

Imports into Canada from West Indies

Fiscal year	
1913	$ 9,864,017
1921	24,130,552
1925	25,016,182

The chief imports were raw sugar, of which in 1925 over $17,000,000 worth was imported, and molasses to the value of $2,600,000. The exports from Canada to the West Indies in the fiscal year 1913 amounted to $4,967,312; in 1921 they totalled $18,187,118 and in 1925 $15,432,455. The greater portion of these goods exported from Canada comprised manufactured products. The chief item was flour. In 1925 the percentage of manufactured products exported by Canada to the West Indies was a trifle over 87 per cent of the total.

I propose now to put on record a statement showing the immense field for trade which the agreement opens up in agricultural commodities. The following figures will show

the value of these products imported by the colonies in 1924 from all sources and the proportion supplied by Canada:

	Total Imports of B.W.I.	Exports of Canada to B.W.I.
Flour..	$8,512,278	$5,678,909
Meats..	2,949,992	253,313
Lard and substitutes..	808,626	255,003
Butter..	1,655,291	487,002
Cheese..	370,811	168,803
Condensed milk.. .. .	1,295,231	775,258

The Canadian manufacturers also benefit from the agreement in addition to the general preference ranging from 25 to 50 per cent. There are certain articles such as boots and shoes, confectionery, cordage, prepared cocoa and cement, which enjoy larger special preferences, and the field for expansion of trade in these lines is shown by the following figures—

Mr. ARMSTRONG (Lambton): Before leaving the last item can the minister give us the total amount of raw sugar imported into Canada from these islands?

Mr. ROBB: I gave that a few moments ago; it will be found on Hansard. The following is a table of certain imports into the British West Indies showing the proportion supplied by Canada:

	Total Imports of B.W.I.	Exports of Canada to B.W.I.
Boots and shoes..	$1,894,374	$217,454
Cement..	772,466	35,291
Apparel..	2,463,383	22,815
Hardware..	1,697,849	98,990
Iron and steel..	2,337,974	99,560
Soap..	1,331,443	37,301

The development of this trade should be helped materially by the improved steamship service. Regular weekly sailings have been agitated for at each investigation and conference that has been held. The great objection has always been that it would not be self-supporting, but in coming to an arrangement as to the tariff preference under the present agreement, due consideration was given to the development of trade in some commodities which hitherto have not been brought into Canada by direct shipment. Let me repeat here that under the agreement it is necessary, in order that the preferences should be secured, that the goods shall enter Canada through or be exported from an ocean or river port of the Dominion.

Sir HENRY DRAYTON: The same as the agreement of 1919.

Mr. ROBB: Bananas under the new agreement are given a preferential treatment. In the past fiscal year out of 2,463,925 bunches of bananas imported into Canada only 7,976 bunches were imported direct from the colonies signing the new trade agreement. It is of interest to note, in view of our cold winter climate, that about 80 per cent of our bananas are imported during the period from April 1 to October 1, so that the greater portion of what we use in central Canada could be brought in in the season of navigation.

I shall place on Hansard a comparative statement of preferences on goods imported into Canada from the British West Indies under the trade agreements of 1912, 1920 and 1925:

Comparison of preferences on some goods imported into Canada from the British West Indies under the trade agreements of 1912, 1920 and 1925.

—	1912	1920	1925
Sugar, 96° per 100 lbs.	15c.	83·712c.	$1.00
Cocoa beans, per 100 lbs.	75c.	$1.50	$2.00 under general tariff. $1.50 under intermediate.
Bananas, per bunch	No preference, free.	No preference, free.	50c.
Coffee, per lb.	No preference till 1919 when ¾c. lb. preference applied.	1½c.	3c.
Ginger and unground spices, n.o.p.	2½%	6¼%	12½%

Comparison of preferences on some goods imported into principal British West Indies from Canada under the trade agreements of 1912, 1920 and 1925.

—	1912	1920	1925
Flour, per lb	24c.	24c.	48c.
Fish:—			
Barbados	20%	50%	66⅔% but not less than ½c. per lb.
British Guiana	20%	50%	66⅔% " "
Trinidad	20%	50%	66⅔% " "
Jamaica	nil	25%	50%
Butter:—			
Barbados	20%	50%	66⅔% but not lesss than ½c. per lb.
British Guiana	20%	50%	66⅔% " "
Trinidad	20%	50%	66⅔% " "
Jamaica	nil	25%	50%
Condensed Milk:—			
Barbados	20%	50%	66⅔% but not less than ½c. per lb.
British Guiana	20%	50%	66⅔% " "
Trinidad	20%	50%	66⅔% " "
Jamaica	nil	25%	50%
Oats:—			
Barbados	20%	50%	50%
British Guiana	20%	50%	50%
Trinidad	20%	50%	50%
Jamaica	nil	25%	25%
Lumber, undressed:—			
Barbados	20%	50%	66⅔%
British Guiana	No preference, free.	50%	66⅔%
Trinidad	20%	50%	66⅔%
Jamaica	nil	25%	25%
Boots and Shoes:—			
Barbados	20%	50%	66⅔%
British Guiana	20%	50%	66⅔%
Trinidad	20%	50%	66⅔%
Jamaica	nil	25%	25%

I may point out incidentally that in no instance where we have specific duties shall the preference to Canada under these special rates be less than 66⅔ per cent.

The government presents this resolution to parliament in the hope that it will be accepted in the spirit in which it is offered. In no measurable degree does the steamship service differ from the agreement of 1920 whereby we obligated ourselves under solemn treaty to provide certain services. I might as well admit frankly that we never provided those services; we were never able to comply with the provisions. This government and the previous administration made, however, the best arrangement that could possibly have been made to satisfy the requirements of our fellow Britishers of the West Indies. The government has been urged by boards of trade in different parts of the country to give this matter careful consideration, and while I will not tire the House by reading it I may say that I have a letter written to the Minister of Trade and Commerce by a representative of the Montreal Board of Trade dated June 16, 1925, urging us to do practically what we were able to accomplish.

Mr. ARMSTRONG (Lambton): Can the minister tell us what increased subsidies are being paid?

Mr. SPEAKER: May I suggest that the hon. member might ask his questions in committee?

Mr. ROBB: Perhaps, Mr. Speaker, other hon. members may want to ask questions.

Mr. ARMSTRONG (Lambton): I merely want some information in regard to the increased subsidies in order to ascertain what the additional cost to the people of Canada will be as a result of this agreement as compared with the treaty of 1920. In addition to that could the minister place on record or give me some idea of the increased preference to be granted, for instance, on raw sugar coming from that country over what was granted under the treaty of 1920?

Mr. ROBB: Yes. My hon. friend will recall that just a moment ago, with the consent of the House, I placed on Hansard a comparison of the preferences between the trade agreements of 1912, 1920 and 1925.

Mr. ARMSTRONG (Lambton): And those comparisons will appear?

Mr. ROBB: Yes. With regard to the subsidy, there has been no increase; we are simply following the agreement of 1920-21. The Royal Mail Steam Packet Company, at the earnest request of the previous government and this government, are continuing the service, but they say they will not carry it on after the tenders are opened, when we shall know who are the lowest tenderers and negotiate with them. It was to meet part of the conditions of the British West Indies agreement of 1920 that we put the vessels of the Canadian Government Merchant Marine on that service.

Mr. HANSON: . Will the minister tell us what the estimated cost of the service will be as contemplated by this agreement—if carried out? Because I understand we have never carried out our previous agreements.

Mr. ROBB: No, we have not.

Mr. HANSON: What is the estimated cost of this service, if the agreement is carried out?

Mr. ROBB: I shall be able to tell my hon. friend early in April when we receive the tenders.

Mr. HANSON: Had the government no idea of what the service would cost when it put its name to a solemn treaty? Or did it do so blindly?

Mr. ROBB: I do not want to insinuate anything, but my hon. friend knows that I cannot make any announcement now. I am looking after the interests of Canada.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Mr. Speaker, one necessarily approaches any treaty made by this administration with considerable apprehension. They have had the treaty-making mania ever since they came into office, and never seem satisfied if three months are allowed to go by without a new excursion to the Orient or to Australia—always by the longest route—with some kind of treaty brought back as return cargo. Those so far presented in their four years of office have been a succession of unredeemed disasters. The treaty with France, the treaty with Belgium, the treaty with Australia—and fall emphatically into that category. Our trade with each of those countries has been sensibly injured, and in at least two cases very seriously so.

The present is an attempt to negotiate a treaty with the West India Islands. Had one confidence in the judgment and care and in the grasp of Canadian trade conditions of the government of the day, he would naturally welcome the negotiating of a treaty with any of our British dominions, and he would be more disposed to welcome the negotiating of a treaty with those dominions whose trade is complementary to our own, rather than competitive therewith; and of all portions of this empire which could correctly be so described, perhaps the most conspicuous would be the West India Islands. The Minister of Finance (Mr. Robb) is entirely right when he says these islands are producing goods which this country requires but which, on account of climatic and soil conditions, it cannot very well produce. The converse applies: our products the West India people require, and we have a surplus with which to supply them. This no doubt accounts for the fact that over a considerable period of years and throughout a succession of governments efforts have been made to improve trade relations with those islands,—efforts which have continued in progressive degree and, I think it may be said, always with increasing success.

There are other reasons which have induced governments of the past to make these attempts; they are of what one would call an imperial character—if that adjective has not become wholly offensive to some hon. gentlemen of this House. The British West Indies are fellow-citizens of this empire with ourselves; they have been so over a long period of years; they are well thought of within the circle of the empire by all its people; and because of their position, because of their possessions and because of their history, they are entitled to the best of consideration at the hands of the rest of us; and they are able to give us something in return for the consideration we give them. Besides, they occupy a position analogous to no other portion of the empire save ourselves with relation to the United States of America. Their trade necessarily is very much influenced by the neighbourhood of the great republic and by the trade policy of that republic. In a measure, though no part of the United States, they are subservient to America's trade policy. In corresponding measure we are the same. We, it seems to me, have a peculiar obligation with relation to those islands, and it is certainly the part of Canada to do anything within reason to enhance the interest of the people of those islands in the people of the rest of the empire, and particularly in ourselves, to add to the interest they have in our trade, to bring them, as it were, more and more within the circuit of Canadian and imperial trade rather than of American. That a like feeling prevails in the West Indies, there is no question whatever. Indeed, they view the tendency of recent times and the trade ambitions of the United States with very serious apprehensions. Their desire is to become more and more

closely united with us and other citizens of the British Empire; and they look to us particularly, as the foremost of British dominions and the one closest to themselves, their great British neighbour on this continent, to extend to them the best trade facilities within our power.

All these considerations have had weight with administrations of the past, and they had very great weight in determining the course pursued by the late government in negotiating the treaty of 1920. That treaty has been reviewed by the Minister of Finance in his short address this afternoon. I was not one of the administration who had to do directly with the negotiation of the treaty, with its terms I am not so familiar as would be other hon. members of this House, but I have generally a fairly accurate knowledge of them. Under that treaty we secured trade preferences with the most important West India Islands of 25 to 50 per cent, that being the preference given us on their general tariff. We in turn gave them preferences equally great—indeed, greater still if I caught the words of the Minister of Finance aright when he stated that in our preferences to the West Indies the minimum was 50 per cent. We also agreed to extend to them certain steamship services, to the western group as well as to the eastern group, without which the preferences would be of little avail. This treaty has been in operation for some four years, or somewhat less than four years at the time the new treaty was made; I am not certain of the date at which it went into effect. The Minister of Finance is right in saying that as far as Canada is concerned it was ratified by this House in May, 1921, and I think the order in council supplementary to the ratification was passed, according to his words, in June. The minister is not able to say at what time it was ratified by the West Indies, but if my recollection is right the complete engagement did not take effect until some time later. Consequently the treaty was scarcely in operation at all under the late government. We were engaged in an election campaign for the last three or four months of the term of the government, and the attention which would otherwise have been given these matters of course could not be applied.

It seems that the terms of that treaty have not been wholly lived up to on the part of Canada. I was sorry indeed to learn that Canada had to make admission of having failed to live up to the terms of a solemn engagement. I do not know just what was done in the last few months of the late administration after the treaty went into effect, nor just how brief a period then elapsed, but I do know that no complaint was ever brought to my attention of any failure to live up to the terms of our contract. I am just informed by the hon. member for West York (Sir Henry Drayton) that one of the principal islands, Jamaica, if not others, did not come into the treaty at all until some time after we went out of office. Certainly there was no conscious failure to live up to the treaty during the term of office of the last administration. I do not know just what the difficulties have been; I would like to have heard them further explained. The minister said in his remarks that both governments did the best they could. I fancy the obligation chiefly or wholly fell upon our successors in office, but why it was they could not do what we had engaged to do, I do not know. Certainly it is no credit to this country that we have to stand now, four years later, and say—especially with relation to a treaty with our brothers of the West Indies—that we have failed to comply with the terms of an engagement made with them.

Though this has to be admitted, certain good results have accrued. Undoubtedly our trade has expanded. I do not say it is not capable of further expansion, but I must be pardoned if I express the fear that we cannot look for quite so much as the Minister of Finance expressed as his hope this afternoon. I am inclined to think that we are a lot nearer the maximum of our exports of the various articles which he recites in chief as Canadian products going to the West Indies, than he imagines. I think indeed that in some of them we have nearly a monopoly of those products which the people of the islands really consume. There are, besides white people, many blacks in those islands, and in some of the lines covered by the treaty they do not purchase the character of goods which we have for export. However, there will be room for some expansion, and I earnestly hope the terms of the treaty will prove such that expansion may take place.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. MEIGHEN: The picture painted by the Minister of Finance as to the enhancement of our exports to the West Indies was, I think, somewhat rosy. In respect of flour I doubt if there is very much room for further expansion. The qualities of flour used there in so far as they are of the nature of the article

that we produce at all are practically wholly bought from this country now. The same applies to lumber and many other things embraced in the treaty.

Coming to the other side of the trade feature, the imports from the West Indies, I hope there is more room for the optimism of the minister in that direction. As respects the great product of the larger dominions, bananas, it is true that notwithstanding the fact that under the old treaty the reduced tariff was open only to goods entering our ports, the great bulk, in fact the almost overwhelming proportion, came through the United States. I am not so sure that this treaty is going to effect so great a change. There are a great many factors entering into that situation, factors that will not be removed by the treaty at all and which will still militate against direct shipment. However, if the treaty does anything in that respect it will do a service to this country.

I am apprehensive of the loss of revenue from reductions made, especially on sugar. The minister did not give us any idea of what he expected there. We are reducing our tariff on sugar, we are not increasing it as respects other countries, and I think the minister will find that he or probably his successor. will have to do without something approaching a million a year. That is a large sum of money. Similar remarks would apply to other features of our imports. However, I believe in the principle of giving to our Dominion, and especially giving to them in return for consideration given us, a preference over every country in the world in respect of articles consumed in Canada. That is what we have to give, that is what we ought to give, that is what we can give without militating against Canadian production; and for my part I would be slow to criticize treaties because of any vulnerable feature from that standpoint. If, however, the treaty went to the impairment of Canadian production then it would take certainly a multitude of virtues to cover a sin in that respect.

As to the service features, I referred to them only briefly before six o'clock. I cannot understand why the minister is not able to give the House a rough estimate of what the new service features are to cost this country. In reply to a very direct question he said he could not do so for some time. Surely the government has not entered into a contract involving very large commitments, commitments which doubtless will run into millions, and yet is unable to give the House at least an estimate of what the aggregate is to be. I know there are very grave fears expressed in some quarters, where the opinion should be the most intelligent, that these commitments are serious. Indeed, the commitments we made in respect of service under the treaty of 1920 evidently proved so onerous that this government could not comply with them. I am still not wholly clear as to why the compliance did not take place, but I am inclined to think that the government found itself unable to make compliance save by an extension of the service of the Canadian merchant marine.

An hon. MEMBER: Hear, hear.

Mr. MEIGHEN: They have made such a tremendous bogy of the merchant marine before the electors—in which possibly they were joined by the Saskatchewan colony, I do not know—but they have so condemned it and ridiculed it from end to end of Canada that notwithstanding the recommendations made to them for its extension in the West India service they did not do it, but rather put themselves in the position where they have to come to parliament and admit they have failed to comply with a solemn contract made on behalf of Canada. I think there was difficulty in living up to our engagements at the service in the treaty of 1920. How is it going to be easier to live up to far greater engagements? In this treaty without a doubt they are more serious. The minister knows they are more serious—especially as to one of these groups they are far more serious—and as a result this government will have to pay out very large sums of money indeed in subsidies, or they will have to extend the merchant marine service. I know they are in a quandary as to which they will do. I know they find difficulties both ways, difficulties they created very largely for themselves by spurious political propaganda. But anyway, though these commitments may be serious too, I am disposed to sympathetically view the whole situation as to this treaty. I believe it has very important significance from an empire standpoint. Hon. gentlemen have often ridiculed this idea. I do not mean those very close to me, but hon. gentlemen at other angles of this House have often ridiculed the idea that trade has anything to do with nationality, that trade relations necessarily involve political relations. I want just to suggest this thought to hon. members of this House; it is just because trade has a lot to do with nationality, it is just because trade relations are bound up with political relations, that this treaty comes before this parliament at this time. It is because of the importance of this treaty to national and political relations with the West India islands that it appeals most strongly and will appeal most strongly to hon. members of this House.

I believe, indeed, the government would do themselves credit to admit that this factor of the situation had very much to do with the whole matter of the negotiation of the treaty.

Mr. MACKENZIE KING: It did.

Mr. MEIGHEN: I am glad to hear that from the Prime Minister. It is creditable to the government that it had so to do with the negotiation of the treaty; but I want to know why it is that the trade relations of the West Indies with the United States are inseparably and inexplicably involved with their political relations with that country, and the trade relations of Canada with the United States have nothing whatever to do with the political relations of Canada with the United States. I am glad that the light has come in, even though it had to come from the far off West Indies to reach the mind of the government in this regard.

So I say, reserving certain criticism which would be more appropriately addressed to the government in committee, and reserving the right of course to make suggestions with relation to it—and I have in mind one especially as respects the sugar refining industry of British Columbia—I am disposed to welcome the advent to this parliament of any effort to tie more closely our brothers of the West Indies to ourselves in any trade treaty.

Mr. W. K. BALDWIN (Stanstead): This is a very interesting subject to me, and has been very interesting since the close of the Great war. From November 11, 1918, when the Armistice was signed, I conceived the idea that Canada should have some territorial rights in a tropical or semi-tropical country, to produce the things that we need, so as to assist in repaying us for the great expense to which this country was subjected in our efforts to win the world war. Coming to this House shortly afterwards I found that the champion of the development of West Indian trade was F. H. Keefer; I forget what portfolio he held. He had been down to the West Indies on a trip, and I approached him in order to get some information. I found that the ideas which Canadians generally had on this subject were absolutely wrong. On Armistice day I was called upon to make a speech in my county and in my remarks I stated that Canada should have territorial rights in some tropical country. A very well-informed man whom I met at lunch that day said, "What do we want of 15,000,000 niggers?" On coming here I went to the library and found that the population of the West Indies was about one-third English, one-third French and one-third Spanish, the total less than 3,000,000. Mr. Keefer was very much interested, and was pleased to get even one person to raise his voice in this House in favour of commercial union. I am a political unionist.

Mr. O'NEILL: What is the name of the minister?

Mr. BALDWIN: Frank H. Keefer, a member of this House under the ministry of the Borden government. I obtained information which I had never received before. I got information from Harry Crow, who had a long and extended acquaintance with the British West Indies. He was a political unionist and favoured a commercial union between Great Britain, the Crown colonies and the dominions of the West Indies. When we speak of the West Indies we must remember that there are innumerable islands, the Leeward, the Windward and a multitude of other islands, and their possibilities of production are tremendous.

I have been watching the great American republic to the south of us for many years, and I have observed that through their diplomacy and their methods of conducting affairs they have acquired great territories that will produce tropical and semi-tropical products. Here we have a country in Canada covering one-half of the North American continent, without one inch capable of producing tropical or semi-tropical products. It appears to me very desirable that we should obtain a footing in the West Indies. Mr. Crow spent a great deal of time and a fortune in advancing ideas of political union.

Mr. Macaulay of the Sun Life had made many trips to the British West Indies in connection with his great company, and he maintains that commercial union is very much needed. Whether a continuous agreement or any agreement that would be never ending were made, would be immaterial; but let us see how much we need their produce and how much they need ours. We require in this country all the products which they produce. It is within the realm of possibility that they will learn to produce rubber in British Guiana and British Honduras, and that they will produce cotton and everything in that line that we will require. What a splendid chance for Canada in this line. The people of the West Indies, in the development of these islands, require the manufactured goods we produce in Canada, and they need the natural products of this country. Mr. Keefer was sent down there by the Borden government, and Sir George Foster has made many trips to that

country investigating conditions. I dislike to suggest what I might possibly think—that the opposition were not able to conclude trade relations or to negotiate favoured nation agreements, and they are simply not pleased that this government has about consummated what they worked for years and years to accomplish and failed.

Mr. HANSON: My hon. friend is wrong.

Mr. BALDWIN: Why am I wrong? Pray tell me.

Mr. BENNETT: Did they not make some treaties with the West Indies?

Mr. BALDWIN: Yes but those treaties availed very little indeed.

Our Maritime provinces are crying for Maritime rights. Now if we can get a market for the products of the east and the west of Canada by giving to the West Indies a market for their produce, will that not be beneficial to the Maritime provinces? In Halifax they have great storehouses where they could store these products and a splendid trade could be built up.

I believe that Canada is going to make rapid progress; the population will in a few years be much greater than it is to-day. If we can get a market for our manufactured products, our condensed milk and dairy products in the West Indies, it would be a great thing; our trade would grow and grow and it would make us independent of other countries. It would also furnish traffic for our railways and our steamships. There is nothing selfish about this. The provinces of British Columbia and Alberta will send their fruit out to the Pacific ocean and it will be shipped through the Panama canal to the West Indies. So that there is no part of Canada that will not be benefited; all the products of the different provinces will be shipped by rail and water. There is no reason therefore, why this agreement should not be consummated. As to the bugaboo that many features of this treaty are unfavourable to this country, when we think of those far distant lands of Australia and New Zealand away down on the rim of the world, why should we be afraid of their products that will take seven or eight weeks to reach Canada, when the great markets of the world are much nearer to us than to them.

A great deal has been said about butter. A few weeks ago some members of the opposition, speaking in the House, were making it almost a point that the farmers of this country were going to be destroyed owing to importations of butter. Butter has been advancing in price, and I believe the poor people of this country must be eating their bread dry at the present time because butter at the lowest price is costing forty-seven cents a pound and none can be procured for less. I do not think it would be a crime if the great consuming public of Canada could get butter for a little while at a lower price, and surely our farmers are receiving a price with which they are quite satisfied.

Under this favoured-nation treaty that is being made with the British West Indies, our butter, cheese, condensed milk, flour and vast quantities of manufactured goods can be exported into those colonies under a preference that will give us almost a monopoly. Who for one moment could think that would not be a great advantage to Canada? On the contrary let me tell the House a few things that transpired during the late Conservative regime. We were importing $100,000,000 worth of fruits principally from the United Fruit Company, a great octopus company in the United States At that particular time they were paying for the goods in the West Indies when the dollar was about equal to sixty cents, and they were re-selling them to Canada making from 12 to 20 per cent of a discount on the Canadian dollar In other words, for the $100,000,000 worth of fruit that was imported from the British West Indies this company was making a profit of over $50,000,000. If we look at the matter from any point of view it makes a Canadian look small.

I wish Canadians when going to a sunny clime would travel via Halifax and boat to the British West Indies although if they want to go by way of the United States, the trip will be a shorter one. But let them visit the British West Indies and learn of our brothers there. One important thing we can learn from them is that they speak better English than we do. I noticed last spring even as regards the coloured members of the delegation which came here from the British West Indies, their dialect was such that they spoke perfect English. There is no place on the American continent where they speak as good English as in the state of Virginia where the old colonial English are now kept intact and they send their sons and daughters back to England to be educated. It almost makes me ashamed to speak to those people. It would be a much shorter trip to visit the British West Indies than to go to California. We should learn from those people in the British West Indies and they could learn from us. We could consummate trade with them; we would have much better enjoyment for less money and we would come to a fuller realization of the greatness of the British Empire. Should political union come, which I am very much

interested in, I do not know that they would send members to this House of Commons, but they might send members to the Senate. They could be represented in this parliament in some way, and I have no fear that a population of around three million could ever dominate this great country.

Notwithstanding all the drawbacks we may have had in the past few years, we are going to make great progress in Canada. The United States is being filled up; its lands are being held now at almost fabulous prices; they are dyking back the seas and making land costing over a thousand dollars an acre. They are constructing roads up the highest mountains and over the deserts, but they cannot continue in that way so that people will come to our great country, and develop our great resources in agriculture, forests, fisheries and perhaps the greatest wealth of all, our mines. The people of the British West Indies will be great consumers for our fisheries, and from every point of view there need be no parochial thought about this. As I have said the extreme western part of Canada produces beautiful apples, and I do not know but the time may come when they can raise figs, as I hope they will be able to do although at present they are importing them from California. But notwithstanding all that, in order to keep a healthy body we must eat green things; we need fruits that we cannot raise in Canada, but that can be produced by the cheap labour in the British West Indies and brought here by boat to nourish our bodies.

From every point of view there is not the least doubt that the consummation of this treaty will be of great benefit to Canada and of as great benefit to the people of the British West Indies. As it is dull to listen to a member talking extemporaneously on this matter after hearing the Minister of Finance—and after all others will follow me who will give exact figures—I will not make any further remarks with regard to this question which is very dear to my heart.

Sir GEORGE PERLEY (Argenteuil): Mr. Speaker, I find myself in accord with the principle of this resolution, and I should like to say a few words about it before it goes to the committee. Everyone knows I stand first for Canadian interests, and I believe in giving as much work as we possibly can to our own people. I do not want any treaty that is going to reduce work in Canada. At the same time I am one of those who believe firmly that our British commonwealth of nations can be made self-sustaining. We know that we can produce within the commonwealth everything that we require either for our comfort or for the safety of the empire. This was demonstrated beyond any question in the war when our supplies from foreign sources were cut off and we were obliged to produce more food and to make munitions and other necessary equipment for the safety of ourselves and of the British Isles. At that time the people of the British Empire enormously increased their production and proved to the world that they could produce everything that was required within the commonwealth. Why should we not take every step we can to make that condition permanent?

The United States has attained its present great strength as a result of the pursuit of just such a policy: she trades within herself and her home market is the one that is of value to her. We in Canada have also a home market but we can at the same time create within the whole empire a home market on a larger scale, a British home market. I say therefore that it is the duty, as it would be to the advantage, of every part of this commonwealth of nations to adopt the principle of buying from sister nations what the people at home cannot produce for themselves. That, as I say, is the policy that has produced such excellent results in the United States and it is equally the policy that can make a success of the British commonwealth of nations. To bring this about we must trade with one another to as large an extent as possible and this treaty is to my mind a distinct step in that direction.

I was sorry indeed to hear the hon. member for Stanstead (Mr. Baldwin) bringing party issues into the discussion to-night, for one of the things in regard to this treaty that pleases me most is the continuity of policy which has characterized one government after another in Canada. This has been so for years, and I am firmly of the opinion that in regard to all questions of foreign policy, including relations between different parts of the empire, there should be a continuity of policy. None of these questions should be discussed from the party point of view. In the case of this treaty hon. gentlemen opposite have followed in our steps, just as we endeavoured to follow in the steps of those who went before us, in order to bring about favourable relations with the British Islands and the West Indies.

Years ago I was much interested in this question, having for a considerable period at various times administered the Department of Trade and Commerce. While in that position I learned a good deal about this

interesting problem. The products raised in the West Indies are complementary to those that we produce in this country, and are in no way competitive with them. It is true we buy a lot of these things from the United States, and that is one practice I should like to see put an end to. I earnestly hope therefore that this steamship service which is about to be arranged for will have the effect of increasing our imports of these commodities from the British West Indies rather than from the United States. We in Canada need a good deal of the products of the tropics, and it is only natural that we should buy them from British countries. The British West Indies, embracing such islands as Bermuda, as well as British Guiana on the mainland and British Honduras, are all friendly to us, and while we require the things they produce they on the other hand need the products that we raise in this northern zone. Now those islands are all contiguous to the United States. At any rate they are nearer to the United States than to us, and I for one hope that we shall do everything we possibly can to keep them British. We should do our share in that direction, and I consider that this treaty has that tendency.

As the United States is a very strong magnet to these islands, we must, as the leader of the opposition (Mr. Meighen) has said, develop inter-imperial trade if we are to preserve our British sentiment, as no doubt we all desire to do. Several prominent men in Canada have for years taken a great interest in this question. I have had conversations with many of them at various times in London when the matter has been fully discussed. I may say that they welcome the treaty as a fulfilment of some of their wishes. While I am on this subject I may observe that we were all very pleased to see the delegates from the islands and from Demerara. Personally I found them men of ability and of broad views who could understand our Canadian conditions and problems, and they showed themselves in every way friendly to us and our ideas. I very much hope that we shall see them frequently.

I am not very familiar with the details of this resolution, but we naturally expect that this government will have made some mistakes in the matter. It would be very extraordinary if they did not. At the same time, however, we trust that they have not injured any of our Canadian industries in arranging the details of the agreement. The items of the treaty will of course be discussed in committee, but I just want to refer in passing to the matter of the steamship service. The Minister of Finance (Mr. Robb) does not feel disposed to tell us how much the service is likely to cost, and I take it that he does not wish to disclose that in advance of receiving tenders for the service, but I am very much afraid that it will be a costly piece of business. All we can hope is that the traffic between this country and the West Indies will be so developed that the expense we shall incur may be justified. At any rate I want to say at this juncture that I am in favour of the principle of the treaty, for the reason that it will help to develop trade between the various nations and sections of the British commonwealth, and thus be another step in the direction of making that commonwealth self-sustaining.

[Sir George Perley.]

Right Hon. W. L. MACKENZIE KING (Prime Minister): I had not intended taking part in the discussion but I feel that this is an occasion on which it should be made apparent to the country that happily, for once, both opposition and government seem to be in entire accord on a great principle which we all have very much at heart, namely, the principle of developing as far as possible, by means of trade and in other ways, the relations that bind together the different parts of the British empire.

The leader of the opposition (Mr. Meighen) said he was pleased that the government appeared to have received more light in the matter of treaty relations within the empire than it had previously had. I am afraid my right hon. friend has forgotten his own speeches in the Maritime provinces made so recently as a few months ago. This treaty was negotiated last summer by members of the government who at that time met delegates from the British West Indies. The conference was held in Ottawa, and as a result a treaty was signed which was subsequently printed and distributed to the press in all parts of the Dominion. The government felt that it had not only rendered a definite service to Canadian trade, but also the kind of service to which hon. gentlemen opposite have alluded to-night, namely that of helping to bind more closely together, through the agency of trade, different parts of the British empire. What was our amazement when we discovered that my right hon. friend in the course of his speeches in the Maritime provinces was declaring that so far as he was aware there was no such thing as a treaty even negotiated! He nevertheless condemned the treaty very strongly. He shakes his head now, but he has forgotten what he then said.

Mr. MEIGHEN: No, I have not forgotten a word. I know what I said at that time. I said no such thing.

Mr. MACKENZIE KING: Will he tell us what he did say?

Mr. MEIGHEN: Certainly. I said I had never seen a copy of the treaty, and that I would not take any position for or against it until I had seen it. Whatever criticism I might have of it, I would not give judgment upon it until I had seen the treaty.

Mr. MACKENZIE KING: All I can say. Mr. Speaker, is that after the profession my right hon. friend has just made about desiring to further trade within the empire, it is extraordinary that he should now have to confess to the House that he went into a political campaign and criticized the administration on a treaty designed for the very purpose of closer trade relations within the empire, a treaty which he also said that he had never even seen! I was going to remind him of the fact that the statements he made throughout the Maritime provinces when he was campaigning there in the fall were first of all, as I understood, condemnatory of the treaty. However, I will take his word for it now that what he then said was not condemnatory, but was simply that he had not seen a copy of the treaty. I know he made that statement because I had him presented with a copy of the treaty myself. We happened both to be in the vicinity of Sussex, New Brunswick, the day after my right hon. friend asserted that he had not seen the treaty and that it was non-existent.

Mr. MEIGHEN: He did not say that.

Mr. MACKENZIE KING: I sent him a copy of the treaty with my compliments. That evening he undertook to discuss the treaty at a meeting in Sussex, and he then condemned it. I have reports of his speech and the impression it created throughout the Maritime provinces was that the treaty was a mistake, that the government had done something that was wrong, and that this was one thing more for which fault should be found with the administration. Well, I am quite prepared to forgive my right hon. friend. I am glad he has seen the light; but I do not want him to come and tell this House and the country that the government has seen the light, when he himself was in such total darkness as not even to have had any knowledge of the treaty itself, if not also of its terms.

My hon. friend from Argenteuil (Sir George Perley) has referred to the importance of linking together the different parts of the empire in matters of trade. May I say, Sir, that that is something which this government has had at heart not only with respect to this treaty, but also with respect to another treaty which some of his friends have condemned rather strongly, namely, the treaty with the great dominion of Australia. That treaty was also negotiated by this administration with the same belief that it was desirable to seek to bring about a closer bond of union between different parts of the empire.

Sir GEORGE PERLEY: May I suggest to the right hon. gentleman that that is a very different matter, because that treaty in many cases takes away work from our own people.

Mr. MACKENZIE KING: I do not quite follow my hon. friend's point of view. As I understood, he wants to develop closer relations within the empire by trade. Australia is at one side of the globe and our Dominion is at the other. It is a vast range over which competition is taking place, and it is an extraordinary thing if this Dominion within its own boundaries cannot hold its own in competition with Australia. However, supposing it were true, which I do not admit, that the treaty did take away a certain amount of work from our people as my hon. friend suggests, I ask him: would he not feel that what might be gained by further strengthening the empire in many other respects would be fully equal to so small a sacrifice of a material character? If he is really sincere in his talk of empire unity and solidarity, he must, if need be, be prepared to make some little material sacrifice for it. If he is not, I may tell him that the present administration is so prepared to do, and we have so viewed these questions.

May I say, Mr. Speaker, I hope that what has been done in this treaty by way of furthering, as we trust, closer relations between the British West Indies and Canada may be extended to include possibly another British dominion in this western hemisphere. In addition to the West Indies there is the island colony of Newfoundland, which is a near neighbour of this country. I think something might be made of the fact that we have in this western hemisphere what may well be known as a British North America, composed of Canada, Newfoundland and the islands of the Atlantic generally classed as the British West Indies. It should be the aim and purpose of all of us who have at heart the interests of our own Dominion and the larger interests of the British Empire to seek to develop to the fullest possible extent that

British North America in relations of trade, in relations of commerce and communication and in relations to friendship. I believe this treaty will go far towards developing trade with the West Indies. I believe it will do more than that. I believe the contacts it will lead to between the peoples of the West Indies and the people of our Dominion will be mutually helpful in directions that possibly very few of us at this moment can foresee. Certainly the meeting of the delegates here created the impression to which the hon. member for Argenteuil has alluded, namely that they cordially welcomed the closer relationships that were likely to grow out of this treaty.

In addition to trade, there is developing between the British West Indies and Canada an important tourist traffic. The two countries are the complements of each other; one is in the temperate zone, the other in the tropical; and it is the natural thing that at particular seasons the people of the British West Indies should look to Canada as the part of the empire to which they would be glad to come, and that we should look with equal desire upon the British West Indies as a part of the empire which our citizens will find it easy to visit and become acquainted with. This treaty as it has been drafted has had in mind not merely the purposes of trade but also of travel, and part of the money which has to go for subsidy purposes will be spent in increasing the facilities for travel between the British West Indies and this country.

Once again, Sir, may I say what a pleasure and satisfaction it is to discover that at least on one measure both sides of this House appear to be united,—a measure which has bearings that are much larger than those of mere nationality, bearings that concern vitally the interests of the great empire of which we are a part.

Mr. STEVENS: May I ask the Prime Minister if the different items of this treaty will come under consideration in committee of the Whole? I have not been able to be in the House during all the discussion.

Mr. MACKENZIE KING: Yes.

Mr. ARMSTRONG (Lambton): I merely want to ask the Prime Minister a question. He referred to a number of other countries that were likely to be benefited by this treaty. Would he be good enough to give us the names of those different countries? I am sure the information would be appreciated by the House.

Mr. MACKENZIE KING. I think my hon. friend must have misunderstood my remarks. I said there were different countries that composed what I termed a British North America, including Newfoundland, the islands of the British West Indies and some other islands, and of course our Dominion. I was there referring to something that I hoped this treaty might lead to—a further development of trade in directions which are not included in it at the present moment, but which may come to be included later on.

Mr. ARMSTRONG (Lambton): I understood that the preferential clauses in this treaty would be extended to other countries outside of the British West Indies.

Mr. MACKENZIE KING: This is a treaty with the West Indies.

Mr. W. A. BLACK (Halifax): Mr. Speaker, in making a few remarks with regard to this treaty I do not wish it to be understood that I am strongly opposed to any treaties that will lead to the development of Canadian trade. The object of all Canadian governments should be to increase our trade as far as possible, always having in view the economic position of this country, the cost of such extension, and the operation of such treaties. This West India treaty I think has some defects. In the first place, it was negotiated by representatives of Canada who never had been closely identified with the West Indies, and who had very little knowledge of West India trade and West India conditions, and that was done notwithstanding the fact that representations were made to the Department of Trade and Commerce at the time suggesting that in the interests of Canada the committee that dealt with this matter should contain some representatives who had a knowledge of the West India trade. Not only that, but the department was asked to have a conference with merchants and others who had been brought up in that trade and had been familiar with it from boyhood, having carried it on and been in close touch with it in some cases for forty or fifty years. But even this suggestion was not accepted, and, as I said before, the gentlemen composing that committee were wholly without practical knowledge of the West India trade.

I think that the treaty is faulty in many respects. When this matter was first brought up in the House last year by the then member for Cumberland, he painted a very glowing picture of the trade possibilities with the West Indies, running into millions indeed, I believe, almost hundreds of millions, of dollars' worth

of trade which he thought might be done between Canada and our West India neighbours. As a matter of fact Canada to-day is receiving from the West Indian islands about all of their products that they can supply to this country; I am speaking now altogether of the eastern group of the West Indies, or what is generally known as the Windward islands group. Those islands produce four articles in quantity: sugar, molasses, lime juice and cocoa.

An hon. MEMBER: What about rum?

Mr. BLACK (Halifax): They do not produce very much rum. There is some rum coming from Demerara, but I may tell you that it is of rather an inferior quality. The four articles I have mentioned are the chief articles produced in those islands.

Taking first, sugar, Canada is now receiving from the West Indies all the sugar she requires. If she required more, the present subsidized steamship service is quite capable of carrying more freight, because on an average voyage of the steamers of the Royal Mail Steamship Company the cargo carried averages only from 65 to 67 per cent of the total carrying capacity. So that if more sugar is required in Canada from the West Indies, the tonnage is there to carry it; but it is not required.

Molasses is in the same position as sugar. We get from the eastern group of the West Indies all the molasses that Canada needs, and no increased service is going to increase that trade.

So far as cocoa is concerned, a few years ago, when I was looking around to increase our trade with the West Indies and increase the freight cargoes for our boats, I remember interviewing Cowan's, a large cocoa concern in Toronto, and urging them to get more of the West India cocoa for use in their manufactures, and the reply I got—and the same thing applies I believe to Moir's of Halifax, a very large chocolate manufacturing concern there—was that in order to obtain the best quality of chocolate they had to mix the cocoa beans they got from the West Indies with the products of other countries, otherwise they would not get the best results. So I doubt very much if there can be any increase in the importation of cocoa, and even though there was a possibility of that, the quantity used in this country is very small indeed compared with the capacity of the steamers that even now are running on that route.

I do not think it is worth while spending very much time over lime juice, for the consumption is very small in this country. It is certainly small in Nova Scotia, even under prohibition. So I do not look forward to any great increase in our imports from the West Indies.

With regard to exports, we are to-day supplying the West Indies with all the chief articles which they require. Of flour, for instance, the eastern group take

9 p.m.

from Canada about 98 per cent of their total flour requirements. They also take from this country the greatest proportion of their imports of mill feeds, although they do not keep very many horses or any other animals down there, and therefore the sale of these articles is not very great; but what they do take of flour and mill feeds they get very largely from Canada. The lumber they require is supplied chiefly from our provinces, and there can be no increased business in that article. Furthermore, lumber is an article which is carried at a low rate of freight on sailing vessels; it is not and will not be transported by steamer. The few sample lots of Douglas fir that have been sent to the West Indies have been favourably received, but of course there is no possibility of shipping that article from Atlantic ports.

In connection with this treaty it must be borne in mind that Great Britain is in precisely the same position as Canada with regard to the preference, and the articles which Great Britain at the present time is sending to the West Indies will continue to go there, I take it, under the same conditions that they would go if shipped to Canada, and these articles are largely those imported by Canada herself from Great Britain. In view of what I said, and perhaps I have not gone as fully into the matter as I should have, I do not see the possibility of any very great increased trade—nothing to warrant the expensive steamers and the frequent sailings it is proposed to put on.

Cold storage is provided for in the treaty. There is not very much involved in that provision. I think the only islands that would make use of cold storage would be the larger ones, Barbados and Trinidad, and then Georgetown, Demerara, on the mainland. These islands and the mainland are farming countries. They have what they call their "penns"—in other words, farms—and they produce a great many of the products that might go out in cold storage. But on the return trip, I do not know what would be placed in cold storage, because the Windward islands and the mainland—the mainland especially—produce nothing but sugar and molasses. The islands are not adapted for the growing of fruit, and therefore there would be no fruit to fill that cold storage capacity. Even if there were

bananas to come back, or fruit of any kind, the space necessary for them would be insignificant if there was any trade northward in fruit or other things that might require cold storage. So I do not look upon cold storage for the eastern group, the Windward islands, as of any great advantage.

With respect to the limited markets down there for anything outside of fish, and so on, that we are sending to them at the present time—and I do not know that we are sending very much fish, but I will touch upon that feature of the subject in a moment—I should like to quote from the Commercial Intelligence Journal published by the Department of Trade and Commerce. The Trade Commissioner at Trinidad, as reported in that publication, says:

> A considerable proportion of the imports are made up of such staple articles as flour, rice, lard compound, butter (largely cooking butter), pickled meat and cotton piece goods.

Now, we have no pickled meat to send there; we get our own across the American border. We have no cotton piece goods to send there. Flour is going there. We do not grow rice. Lard goes in limited quantities. So that these articles would form but a very small proportion of any steamer cargo.

> For other lines, which are only purchased by people in comfortable circumstances, the figures are small, and in some instances exceedingly so. Take, for example, Trinidad.

Trinidad is one of the largest and probably the most prosperous of the eastern group.

> Such prime necessities as flour, rice, lard compound, butter (largely cooking butter), pickled meat and cotton piece goods were imported in 1923 to the value of £1,118,000. On the other hand imports of such articles as apparel, boots and shoes, electrical apparatus, and musical instruments—used only by the well-to-do—were respectively: £63,211, £67,664, £16,128, and £7,746. A similar analysis of the trade of the smaller islands would show that the imports of such products are still larger in proportion to the total trade. The British West Indies furnish a fair market for certain staples, but outside of that the purchasing power is limited. For some commodities the total imports for all the colonies mentioned would compare with the trade of a large city in Canada but for others they probably would not equal that of a city with a population of fifty thousand, certainly not one of a hundred thousand. At the top of the list there will be such a commodity as flour, and at the bottom jewelry and electrical appliances, or in fact any articles that are used by persons with a fair standard of living. Of the total population of about 1,093,000 a very large proportion are labourers who work on the cocoa, sugar, cocoanut, and cotton estates, and only earn from about forty to eighty cents per day. Their purchasing power cannot be large and must be confined to the absolute necessaries of life. There are very few wealthy people in this portion of the British Indies, consequently Canadian manufacturers in estimating the value of the trade for the principal products manufactured by them must keep that fact in mind.

[Mr. W. A. Black.]

Surely that is a warning. Then he says further with regard to British Guiana:

> Statistics relating to the import trade of British Guiana during the first nine months of the present year show that goods from the United Kingdom accounted for nearly half the value of the merchandise, etc., imported. The total value of the imports was $8,124,365, and of this abount $3,984,432 represented the share of the United Kingdom, $1,974,033 that of Canada, and $452,859 that of other British possessions. The United States did business to the extent of $1,375,599, and the purchases of the colony from other foreign countries amounted to $337,442.

That, I think, supports what I say, that there is not such a large field down there outside of the articles I have mentioned.

Then in connection with sugar it is proposed—notwithstanding the fact that Canada is buying from the West Indies and Jamaica all the sugar that she requires from these islands—to reduce the duty and give a further preference, which will cost this country, based on the figures for 1924, about $650,000. That is a contribution, of course, towards trade with the West Indies, but the question naturally arises: who is going to get the benefit of that amount? I venture to say, from what I know of the West Indian dealer, that the consumer of Canada will not get that benefit. I say that this reduction will not increase the imports from the West Indies, although a great many people are of the opinion that it will. However, if it will increase those imports, what effect is that going to have upon the sugar beet growing industry in Canada? I understand that a new beet root sugar factory is now being established in Canada. If the duty is made so light on the West India sugars, will it not seriously affect the sugar beet growing industry in Ontario and other parts of the Dominion?

In regard to boots and shoes, the coloured people in the West Indies, who form nine-tenths or more of the population, wear very few boots and shoes. They wear a "sneaker", just as they wear a jumper, generally of blue cotton, what we might call an overall; so that the exportation of such boots and shoes as Canada produces would be very limited indeed.

The portion of the treaty to which I take exception is the connecting of the steamship service with it. I first of all think it is not the duty of the government to enter into competition with private interests in operating public services. The experience of the government with the merchant marine should be a sufficient warning to them not to embark on any further steamship enterprises. We have had statements from year to year, and we know the result of the operating of the Can-

adian Government Merchant Marine. Without any allowance whatsoever for depreciation and interest, which would be taken into account by any business concern, the operating loss alone, according to the last report, I think, was nearly a million and a half. If you add to the value of the ships for interest and depreciation ten per cent, which would be very small indeed, especially considering the age of the steamers, you will have the loss anywhere from five to six or seven million dollars annually, and the taxpayers of this country are called upon to make good that loss year by year. Not only that, but during the last two years a number of the Canadian government steamers have been sold. Ships costing $1,000,000 have been sold for $50,000. Ships costing $800,000 or $900,000 have been sold for $40,000; so that on that basis, the closing up of the accounts of the merchant marine would cost the country somewhere about $100,000,000 or probably more. The operation of these government boats for a few years will cost this country many millions, and if their operation is continued they will add in ten years a further substantial amount to the loss, because year by year the ships are depreciating in value, and presently they will be of little or no value. The operation cannot result otherwise than in a loss, in view of the present condition of the shipping trade throughout the world, and it is only a government that can continue to carry on a business of that kind with such heavy losses. No private corporation, firm or individual would for a moment attempt to continue operating their vessels at such a loss. As a matter of fact the newer and more modern ships owned by people in the Old Country are tied up at the wharf, in preference to operating at the serious loss which they would suffer if operated.

In reference to Canada still further engaging in government ownership, I do not think it is a business proposition that this treaty should have been signed and completed without the government knowing the probable loss or the probable cost of operating the steamers. The hon. Minister of Finance—and I think he represents Trade and Commerce as well— has been asked if any estimate was made, and if the department has any idea whatever of the cost of providing the ships, and he has not yet told us that an estimate was made. Every move of the department or the government has pointed toward the operation of these services by the government. Everything that has been done has been in that direction, and I for one think it a jump in the dark if the department entered into that treaty without knowing something about the cost that would fall upon Canada in carrying it out. It is unusual for a treaty of this kind to be coupled up with steamship services. I cannot see why when these gentlemen from the West Indies were here, they got everything they wanted. One legal gentleman on the committee said, "Well the best we could do was to provide them with steamship service, and therefore we did it."

In my judgment, the cost of those services, if they are provided by the government, will run into about $10,000,000 of capital There will be an annual loss on operation of at least two and a quarter millions, exclusive of interest or depreciation; indeed the figures are likely to be larger than that rather than smaller. With conditions such as they are in this country at the present time; with the people burdened with taxation, I do not see how this government can justify such an expenditure as will fall upon the country if this service is provided and operated by the government.

Although Nova Scotia has the advantage of fishing banks and grounds near its shores and we produce very large quantities of fish, we do not supply the West Indies with nearly as much fish as is consumed there. The West Indies get large quantities of fish from their own waters. In that connection I should like to read this extract from the report of the conference with the West India delegates. The vice-chairman is questioning Mr. Leacock, a delegate from Barbados:

The Vice-Chairman: Your suggestion is that the preference given now is sufficient?

Mr. Leacock: Yes, as far as we are concerned.

Mr. Leacock says further on:

Mr. Snowball has referred to the item of salted cod-fish from the point of view of the Barbados. I would not like the conference to be under any misapprehension in that regard. Practically our entire trade of salted cod-fish is done with Newfoundland. In regard to cod-fish we are in this position with our teeming population, who need a cheap article of food, they take the refuse from Newfoundland which no other market will take, and that fish is sent to us for sale at the best possible price on our market (not having been purchased before it is sent down). I do not see how it will be possible to swing that trade over to Canada. The other places are very differently situated. I just wanted to make it clear to the conference in reference to that point.

Mr. Snowball, M.P.: How about your lumber trade?

Mr. Leacock: We practically buy all our lumber in Canada with the exception of what Canada cannot supply.

Mr. Leacock says further:

The Vice-Chairman: Before you sit down, Mr. Leacock, do you think it well to say something about what you can give to Canada?

Mr. Leacock: Well, that is a very difficult point of view for me to touch upon, because, as I say, Canada has the entire flour trade with the exception of what she cannot supply; she has the entire oat trade of our colonies, the entire oatmeal trade of our colonies, et

cetera. Our manufactured goods come very largely from the United Kingdom, and the only article, as it appears to me, that we could encourage in trade with Canada by an increased preference, is the item of salted meats, which could be turned over to Canada, and would probably go over quicker if you got an increased preference. That is as far as I can see as far as Barbados is concerned.

What he says applies not only to Barbados but to all the islands of the West Indies and to Bermuda.

I do not know that I desire to say anything more at the present time in regard to this matter. As I said when I rose, I am not opposing any treaty or trade arrangements with any country from which treaty we shall derive a benefit, but I am strongly opposed to coupling up our steamship services with trade treaties. We have had experience enough, as I said before, with regard to the operation of steamers by government, and if this contract is taken on by the Canadian Government Merchant Marine the cost to this country will be a very serious matter.

Mr. JAMES MALCOLM (North Bruce): Mr. Speaker, I had intended making a few general observations but they have been already referred to by some hon. members who have spoken, and I am going to confine my remarks to some of the criticisms of the treaty made by the senior member for Halifax (Mr. Black). As one of his associates in framing this treaty, first of all I should like to pay tribute to the excellent work of the hon. member for Cumberland in the last parliament who inspired the negotiations that took place between Canada and the sister colonies in the south. We have just heard it said that we cannot develop a business in fruit with the West Indies. That was the very thing that inspired Mr. Logan when he saw Canada importing practically 2,500,000 bunches of bananas, with only 700,000 bunches coming directly from the West Indies, the balance all coming through the United States. Fruit was one of the items in which he was most interested when he made his trip to the West Indies.

I should like to pay a tribute to the delegation which came here. We found on meeting those gentlemen that they knew a good deal more about Canada than the Canadian delegates knew about the West Indies. For that reason I appreciate the remarks of the Prime Minister (Mr. Mackenzie King) when he says it is to be hoped that a better steamship service will induce many of us to travel to the West Indies for the winter instead of to Florida or California, and learn a little more about our sister dominions or sister colonies. If the steamboat service is good enough to induce Canadians to know the West India islands, I think it has in that respect alone served a very useful purpose.

I am rather interested in the remarks of the hon. member for Halifax when he infers that the Minister of Finance (Mr. Robb) and the government did not know anything about what this service was to cost. It is quite true that you would not expect the Minister of Finance who intends to ask for tenders for this service to reveal to the agent of the West India Steam Packet Company who has just spoken, what he expects to pay them. The hon. member for Halifax is in the shipping business; his company has had contracts with governments of the past for this service. He knows that when his company got $131,400 per annum by way of subsidy we were doing only a very limited business with the West Indies, a business of imports of about $801,000 and of exports of $1,500,000 whereas the trade has grown to $14,000,000 of imports and $10,000,000 of exports. Any one who has seen the trade with the West Indies develop knows that we have built up in the last few years in one item alone, that of condensed milk, a business amounting to three-quarters of a million dollars. We have also built up a business in cheese, butter, cement and flour, the latter probably being the largest, but the fact remains that in many commodities, even our own fruits which they do not grow, such as apples, we have built up a substantial trade. The hon. member for Halifax and some business men in that city are objecting very strenuously to the cost of the service. As an Ontario business man I am prepared to pay my share of the cost of this service as a contribution to imperial unity, and I cannot see why a Halifax merchant who is going to receive a great deal more benefit than probably any Ontario man, should object if the rest of Canada including members like the hon. member for Argenteuil (Sir George Perley), the leader of the opposition (Mr. Meighen), the Prime Minister of Canada and others speak of the necessity of imperial trade and the desire if possible to further that trade.

I remember reading in the Toronto Saturday Night, a journal which is not noted for complimenting this government, shortly after the treaty was published, an editorial which said that critics of the King government would have a very difficult time to find fault with the West India treaty which had just been negotiated. I was thinking of that article to-night when I observed the laboured efforts of hon. gentlemen opposite to bring forward

something against the treaty. I believe that when we go into committee and the agreement is considered item by item it will be very difficult indeed for hon. members to find very many flaws in it.

Mr. RYERSON: Can the hon. member tell us the number of bunches of bananas imported into Canada from the West Indies?

Mr. MALCOLM: About 700,000 direct.

Mr. RYERSON: That is not my question. Of the total number imported into Canada how many are grown in the West Indies?

Mr. MALCOLM: That is not the point I was making. What I am pointing out is that we import a total of 2,500,000 bunches of bananas from the United States and elsewhere and that a very large proportion of them could be bought direct from the West Indies. Indeed, the delegates from Jamaica declare that they are able to take care of the Canadian banana trade if they have the proper steamship service. Given that they are prepared to develop a fruit trade with Canada which would meet all our requirements.

I prefer to discuss the subject further when the agreement is under consideration in committee, but at the moment I may be allowed this observation: the government was actuated by a desire to promote imperial trade, and I believe that the people are prepared to make a substantial contribution to that end. In this regard I would refer to the criticism which has been levelled at the Australian treaty, which is a trade agreement of exactly the same nature as this. That criticism has been eminently unfair. Hon. gentlemen opposite say that the Australian treaty will make it possible for ten million or twelve million pounds of butter to be imported into Canada, but they forget their own argument that the treaty was designed to benefit certain manufacturers. My hon. friends opposite have always contended on the hustings that in building up industry in the country you create a greater consumption for the farm products of the Canadian agriculturist, but critics of the treaty never say a word to the effect that the improvement in Canadian industry might well take care of all the additional butter that could come from Australia. I do not see how hon. gentlemen can possibly criticize the Australian treaty on that score. In a country that produces 275,000,000 pounds of butter, roughly speaking, and exports 30,000,000 pounds, the home market cannot possibly be greatly affected by an importation of five, six, seven or eight million pounds of butter, especially in view of the fact that its industry is benefited to such an extent as to consume very largely the excess imports.

The business men throughout Canada do not view with any degree of credit the opposition adverse criticisms of trade treaties that make business for the manufacturers of the country. I would point out to my Conservative friends opposite that their friends in industry were anxious to see the Australian treaty put into effect, as I was myself, and we all looked forward to having a greater market among the dominions for the manufactured products of Canada. We hope that we shall be able to supply Australia and the West Indies with practically all their manufactured imports, thus taking away that business from the United States. If the treaties with Australia and the British West Indies which have been entered into by this government do not develop a greater manufacturing connection between those countries and Canada, I shall be very much surprised, for all the indications to-day are that they will. This treaty with the West Indies was made in good faith but the hon. member for Halifax (Mr. Black) thinks that those who are interested in its negotiation do not know very much about business in the West Indies. I suppose that in order to know anything about West Indian or international business for that matter, one must live in Halifax. Let me tell the hon. member, however, that the Canadian members of the conference with the records of the Department of Trade and Commerce before them, and the advice of the various delegates from the West Indies, who surely know their own business, did carefully study the possibilities of trade so that they were able to submit for the consideration of parliament an agreement based on a thorough investigation and a complete inquiry into all the details. Our hope is that the agreement will lead to further trade relations with the islands of the West Indies, to the advantage not only of the contracting parties, but of the empire as a whole.

Mr. ROBERT K. SMITH (Cumberland): It is not my purpose to discuss this subject at any length; I shall be very brief. I want to say however, at the very outset, that during the last election we of the Maritime provinces were told that we must look overseas for our markets, and I believe I am correct in attributing that statement to the Prime Minister (Mr. Mackenzie King). The same thing was said by other Liberals in the Maritime provinces during the campaign. Now, if this treaty is brought forward as a means of solving the difficulties of the Maritime provinces I must say that we in that

part of the country seriously object to it on that ground as the only remedy which the government intends to apply to the evils that have existed since confederation and are now so oppressive in those provinces. I hope it will be clearly understood by every member of this House that, whether this treaty is ratified or not, it is not intended as a means of solving our many problems by providing markets beyond the seas.

Another statement was made on the floor of this House to-night by the Prime Minister, a statement which was not only a gross exaggeration but a base misrepresentation of the attitude of the present leader of the opposition (Mr. Meighen) towards the treaty with the West Indies as stated by him during the last election campaign. I understood the Prime Minister to say that the leader of the opposition in the campaign in the Maritime provinces condemned the West Indies treaty. I wish to say, speaking from firsthand knowledge, that this was not the case.

Mr. MACKENZIE KING: Will my hon. friend allow me to interrupt him? He says that I have misrepresented the leader of the opposition in this regard. I have in my hand at the moment a despatch that appeared in the Montreal Gazette and which I think I may quote as being fair to my right hon. friend. It reads:

Meighen Warns Maritimes On New Trade Pact
After Cursory Perusal He Says It Will Cost Millions
(By Canadian Press)

Sussex, N.B., September 22.—Having obtained a copy of the West Indies treaty from the Prime Minister's train which passed through here early this afternoon, Right Hon. Arthur Meighen, Conservative leader, subsequently warned the people of the Maritime provinces not to be too optimistic about the new trade pact. "I have just made a cursory perusal of the treaty," Mr. Meighen told a large audience in the rink here, "and all I have to say is 'don't get too optimistic about it.' The features of most prominence in it are the bills. It will cost millions."

That is the extent to which the right hon. gentleman dwelt upon the advantages of the treaty from an imperial point of view.

Mr. SMITH: It makes no difference what the Montreal Gazette or any other newspaper says, although I do not object to what the Prime Minister has just read in this connection inasmuch as there is nothing in the quotation to show that the leader of the opposition condemned the treaty. But I can give the Prime Minister some firsthand information on the matter. I was present at a meeting in the town of Amherst at which the leader of the opposition had spoken, and after he had taken his seat someone in the galleries asked; "What about the West Indies treaty?" He had finished his speech at that time, but he got up and said in effect: I am not in a position to take any definite stand on the West Indies treaty until I have studied it from begining to end; I am not in a position to condemn it, nor will I condemn it now, but I have heard from various sources that it will be an expensive experiment. I think that is pretty nearly quoting exactly what the right hon. leader of the opposition said in this regard. If that is "condemning" the West Indies treaty, then I do not understand my leader's language as does the right hon. Prime Minister.

Not only that, Mr. Speaker, but it was not published in the press of the Maritime provinces during the campaign that the leader of the opposition was condemning the treaty. The trade agreement was signed, I believe, in July; the election followed very closely in October, so that the people had not very much time to study and investigate it. I was up against the problem in my own county of Cumberland, where Mr. Logan my opponent, who had been largely instrumental in bringing about this agreement, brought it before the electors. And what was our answer? That we were not in a position to condemn the treaty; that we had not had an opportunity of studying it; that it would have to come before both houses of parliament for ratification; and that upon the floors of parliament it would be ascertained whether it was of virtue or not. That is the position we took in Cumberland county, and I believe a similar position was taken in every other county in the Maritime provinces.

As has been mentioned by other members who have preceded me in this connection, the main objection to the treaty has been the cost of the steamship service. We would fall short in our duty as Canadians and as partners in the imperial federation if we condemned a trade treaty with another portion of the empire which was to be of some benefit to us. We consider that this treaty will be of some benefit to us. But taking the benefits on the one hand and the expenditures on the other, it should be our duty to endeavour to find out whether they balance or not. That was our stand then, it is our stand now. We all desire imperial trade. There can be no difference of opinion on that ground, and there will not be, providing the benefits and expenditures at least equalize each other; but there will be a very serious opposition if they do not. When we go into committee and discuss the details of this agreement clause by clause, I hope to become thoroughly conversant with it. On the principle of beneficial

trade arrangements, as I said before, there is no difference of opinion. The only question is whether for the money expended we are going to secure anything like commensurate results.

In closing, Mr. Speaker, let me repeat what I stated in my opening remarks, that we in the Maritime provinces will not feel that by the passing of this treaty, if it does pass, our problems have been solved by any means.

Mr. A. E. MacLEAN (Prince): Mr. Speaker, coming as I do from the Maritime provinces, where this is looked upon as a very important treaty, I crave the indulgence of the House while I make a few observations upon it. In the first place, as has been already said, the treaty provides for an exchange of products between the two countries. The province of Prince Edward Island is altogether agricultural, and our products have to find an outlet somewhere; that is our difficulty at the present time. Our friends opposite have said in the course of various debates in this House that it was a good thing for the Maritime provinces that the reciprocity pact was defeated. Well, I may say that they will have a great deal of difficulty in making a Maritime audience believe their statement, and they will have still greater difficulty in convincing a Prince Edward Island audience, because as we cannot find a market for our farm products in the other portions of the Dominion beyond what we are able to dispose of in Nova Scotia and New Brunswick, we are forced to send our surplus into the United States against an almost prohibitive duty.

Now, I am glad to see our friends of the opposition approving of this treaty to a certain extent. As fair-minded men from all parts of Canada, I think we ought to view the treaty as broadly as possible, and carefully look into its provisions in committee to see that no mistakes are made; but let us endeavour, if possible, to secure the advantages which this treaty will undoubtedly give us, because, as my good friend from Cumberland (Mr. Smith) has said, we have Maritime rights to be considered, and our friends of the opposition have been advocating Maritime rights. I should like hon. members to know that here, I am confident, is one of the things that is going to help us overcome some of our Maritime difficulties. If there is a Maritime right to be brought up in the House this session that is more important than this treaty, I should like hon. gentlemen in whatever quarter of the House they may sit to tell us what it is.

Various views have been expressed regarding the cost of the boats that will have to be subsidized, and on other questions. I notice that under this agreement we are for the first time to get a substantial subsidy from the West India islands to help the steamship service that the Canadian government has been subsidizing. That subsidy amounts to $142,000 per year, according to the treaty. Hitherto Bermuda has never contributed anything towards the cost of this steamship service, but they did contribute some $121,000 annually to American steamships to encourage them to trade with the British West Indies. This departure alone is a very important feature. Therefore, I repeat, we should consider this treaty in a broadminded way. I have in my hand a clipping from the Montreal Gazette in which reference is made to Mr. T. B. Macaulay, of Montreal, as one of the gentlemen who was largely instrumental in the treaty negotiations. The Gazette also contains cables from the British West Indies to that gentleman suggesting that if possible the treaty should be put through in its entirety. One of these cables from the Jamaica Imperial Association reads as follows:

> We strongly urge Canada-West Indies Trade Treaty should pass in entirety as any modification would amount to new proposal and would necessitate entire agreement being reconsidered by colonial legislatures which means delay and uncertainty.

I have here a number of telegrams along the same line from the different legislatures, which I shall not take time to read. As I have said, I think we should take up this treaty item by item and endeavour to put it through as nearly as possible in the form that was agreed upon by the delegates from the West Indies when they were here.

What are some of the benefits that will accrue to the Maritime provinces from this treaty? In the little province of Prince Edward Island alone we raised last year over $7,000,000 worth of potatoes, the bulk of them for export. Our friends of the opposition have taken exception to a statement in the Speech from the Throne and have said that the government was endeavouring to take to itself the credit that belonged to Providence for the splendid crops we had throughout Canada last year. That is all right, but I would like to point out to them that in our little province alone we could triple in one year our production of potatoes with the help of a kind Providence, if only we could find an outlet for that increased production. Instead of growing only $7,000,000 worth of potatoes for export, within two or three years we could grow $25,000,000 worth, if we could only find an outlet for that production. We hope that this agreement will give us an outlet for some of our surplus products,

especially seed potatoes. This year, instead of the people of Prince Edward Island being encouraged to increase their acreage and produce more potatoes, they are being advised by our papers at the present time not to overproduce, because if they do it is said they will have no outlet for their products and the result will be a slump in price, and the growers will lose money, instead of making a small profit. That is the campaign that is being carried on by our papers at the present time, all because of our restricted market. Now that is a very serious state of affairs, and if this agreement will do anything to encourage even that one industry alone, I think it should receive the support of every member of this House.

Take dairy products, for instance. Last year we manufactured over $1,150,000 worth of butter, and cheese. In those two articles also we have a very large surplus for which we must find an outlet, and although we have a good trade with Great Britain, especially in cheese and butter, there is a possibility of obtaining a better price in the West India market for part of our product, and the same as to fish and other products.

Mr. Hodgson, of the firm of Hodgson Brothers, Montreal, is quoted as follows in the Montreal Star of July 9, 1925, regarding this trade agreement:

> Local exporters, particularly of dairy products, are elated at the terms detailed in the text of the new trade agreement between Canada and the West Indies. In this connection, A. J. Hodgson, president of the Montreal Butter and Cheese Export Association, made the following statement: "The new agreement should prove a great benefit to the country at large, and should promote an increase in the dairy business everywhere in Canada."

It is contended by our friends of the opposition that the Australian treaty may injure our dairy industry in Canada, but when the treaty has been tested I do not think that contention will be borne out by the facts. Taking the treaties as a whole that have been negotiated by this government, I think our dairy industry will not suffer, but rather that the situation will be greatly improved.

My good friend from Cumberland (Mr. Smith), who preceded me, has referred to the fact that Mr. Logan was largely interested in putting this treaty through. We all know the splendid efforts that Mr. Logan made on behalf of this trade agreement, and we can read in Hansard the very elaborate details that he gave in respect to every line of trade that is dealt with in the agreement that is now before the House. He showed the tremendous possibilities of increased trade between the two countries, especially in the products we raise in the Maritime provinces. I noticed a very strange thing in the last campaign in the Maritime provinces, and that was that this agreement was not praised at all by our friends opposing us, but rather they threw cold water upon it, and declared it was something about which we should be very, very careful and not be too optimistic over. I have a quotation here from The Ottawa Journal in which the leader of the opposition (Mr. Meighen) is quoted as saying:

10 p.m.

> There is not one dollar in the West India Trade agreement for the people of the Maritime provinces.

I hope he has not been misquoted again, but if he has, it is only one more of numerous instances of which we have heard this year. One of the strange features of the last campaign in the Maritime provinces was that the three premiers of the Maritime provinces went to the town of my good friend from Cumberland, the town of Amherst, in order to defeat Mr. Hance Logan, the gentleman who was primarily instrumental in having this trade agreement brought before parliament. Those three gentlemen combined their efforts to defeat Mr. Logan. I am not saying that this trade agreement was the only matter that was discussed, but I do say that our friends should be consistent; but what do we find? Immediately after the Dominion election the government of Prince Edward Island took upon itself to send a trade commissioner of their own to the British West Indies, clothed with all the power the local government could give him, to negotiate for trade with these islands. Our friends should be consistent, and instead of endeavouring to defeat the gentleman who was instrumental in bringing this agreement into its present form, they and the Maritime provinces would have done very well to give Mr. Logan the credit he deserves. I admit, of course, that the constituency of Cumberland is at present represented in this House by a very capable gentleman, who will no doubt do his very best for his constituency and the Maritime provinces generally, but I did wish to pay this tribute to Mr. Hance Logan, because he put more effort into this trade agreement than any other man in this chamber or any other man in the Maritime provinces during the four years we were here in the last parliament. I do not think it is necessary for me to say anything further in regard to the treaty, except that I believe it will be of immense benefit to us in the province of Prince Edward Island, because the British West Indies can use a certain amount of every product we have to export. We wish this treaty to be given a fair trial, and if that is done, and we

endeavour to develop our trade with the West Indies, I believe this agreement will redound to the benefit not only of our province but of the Dominion as a whole.

Mr. R. B. HANSON (York-Sunbury): Mr. Speaker—

Mr. THOMAS CANTLEY (Pictou): Mr. Speaker—

Mr. SPEAKER: The hon. member for York-Sunbury (Mr. Hanson) has the floor.

Mr. HANSON: Had it not been for the fact that I have been on my feet more than once and have had to give way to other hon. gentlemen, I would have been glad to give way to my hon. friend from Pictou, who is very much my senior both in point of years and business experience.

I desire to make a few brief observations in regard to this trade agreement. In the first place I was much interested in the remarks of the hon. member for North Bruce (Mr. Malcolm) who spoke just a few moments ago. I am sorry he is not now in his seat, because I wanted to congratulate him upon the statement he made which I take to be a prelude to his introduction to this House as a possible Minister of Trade and Commerce in this dying government. Personally I have a very high opinion of the ability of the hon. member for North Bruce. He is a charming gentleman of considerable intellectual powers, a thorough protectionist in principle and in practice. I should like to say this for the benefit of our friends from Saskatchewan, that they will find him, as we have found him, very sound on the principles of protection especially with reference to the furniture business.

An hon. MEMBER: A future minister.

Mr. HANSON: A would-be future minister.

Now, I want to approach this treaty, and the general principles underlying it, with the utmost consideration. That was the viewpoint of my right hon. leader (Mr. Meighen) from the very inception of the negotiations which resulted in this agreement in the month of July last. I remember very well when the delegates from the British West Indies assembled in this city in the month of June last. I remember very well a public statement made by my right hon. leader, in or near the city of Ottawa, in the presence of these delegates and I believe in the presence of the Prime Minister (Mr. Mackenzie King) himself, when he told them publicly that his attitude towards this treaty would be one of the utmost sympathy, not so much because he considered that any great material advantage would result to this country, but because of the fact that it would tend to foster so-called inter-imperial trade. For that reason I have endeavoured myself to view the negotiations, and the treaty itself, with the utmost sympathy.

Speaking particularly from the standpoint of the Maritime provinces—and naturally we drift more or less into local considerations,—I do not look for any very great increase of trade as a result of this treaty. It must be borne in mind that the treaty is with the British West Indies, and not with the West Indies alone. The big thing from the standpoint of the Maritime provinces, if we could get it, would be a trade treaty with Cuba, which has a big purchasing power and contains a big consuming population. Just in that connection let me say that while this treaty was negotiated and the agreement signed in the month of July last, the treaty itself has never been brought before parliament until this stage of the present session. Nevertheless, on the part of members then supporting the government, from the Prime Minister himself down—not excluding my good friend Mr. Logan, an enthusiast in this matter, and to whom I believe a meed of praise is due for his energy in bringing this matter before the public mind of Canada and before parliament—there was the obvious desire to make political kudos out of this matter. Before the treaty had ever been submitted to parliament we were told down in the Maritime provinces that we were dependent upon export trade. The Prime Minister told the people of Amherst, if I recollect aright, that our whole salvation depended upon export trade. Well, I believe in export trade for the Maritime provinces, but I question very much the ability of that portion of Canada to grow and prosper on export trade merely to the British West Indies, with a consuming public whose purchasing power, I suppose, is the lowest of almost any people on the civilized globe except that of the wilds of Africa or the west coast of that continent. Take butter alone. It is said that we would develop a large increase in the products of the dairy industry. Let my hon. friends read the report of the government's own trade commissioner, and they will note that outside of an exclusive and very limited circle the only butter which is in demand is cooking butter, and I doubt if any business house in Canada will make any very great efforts to follow up that class of business.

Speaking in connection with the potato growing industry, which has been referred to by the hon. member for Prince (Mr. MacLean), let me say that we supply the island

of Bermuda with seed potatoes. There they grow their own potatoes, and they grow them not only for local consumption but for export. The earliest potatoes that appear on the New York market are Bermuda potatoes. Bermuda is exporting them to that market to-day, and the only potatoes imported into the island are seed potatoes. The people there do not grow seed potatoes themselves; they have to renew their seed every year, and the same is true of other West India islands. To-day we supply practically one hundred per cent of their demands. I should like to point out this though—that gentlemen supporting the government in the last campaign told the people in the Maritime provinces, the people of New Brunswick—and I understood from an hon. member of this House that candidates representing the government told the people of Prince Edward Island—that as a result of this treaty Canada would have a preference in the Cuban market; they failed to lay emphasis on the fact that this was an agreement purely with a very limited population in the British West Indies as against the population of the whole of the West Indies, which has a very large buying power. As I said before, the big thing from the standpoint of the West Indies for the Maritime provinces would be a trade treaty with Cuba, but under present political conditions in that country that is impossible; that trade seems to have been coralled by our friends to the south.

But I do view with a very considerable degree of sympathy the making of a trade agreement such as this. I intend to vote for the treaty unless it is made apparent that the cost in dollars and cents to the Canadian treasury is too great. On that point we have not been vouchsafed a tittle of information by the Minister of Finance to-night; he takes refuge behind the fact that he is now calling for tenders for the West India service. While that temporarily may be a good reason, I should like to say here that before the minister asks this House to ratify this treaty, before the imprimatur of our two houses of parliament is put upon this agreement, he should tell what we shall have to pay in dollars and cents. There is no question that the loss of revenue from sugar, and one or two other items, will represent a bill of a million dollars per annum. As was stated by my hon. friend from Halifax (Mr. Black) I doubt very much whether the Canadian consumer of sugar will benefit to the extent of a farthing from that reduction in duty. Nevertheless it may be that we should be willing to assume the responsibility of that loss of revenue and the shifting of the burden of taxation to something else in order to foster trade treaties of this character.

There is a further objection to this treaty, and that is that it is linking up with what is purely a trade arrangement, a proposition for a steamship service. I do not want to enter into any detail.

Mr. ROBB: Is there not the same objection to the treaty that already exists?

Mr. HANSON: I quite agree that in the trade treaty that already exists there was an undertaking to carry on steamship communication. But the service that is now agreed upon, as compared with that which has previously been carried out, is so great and so extensive that I doubt very much whether the government will be able, without the expenditure of several million dollars per annum, to induce any steamship company to carry on these operations, and I very much fear that as a result of the commitment of the government in this connection we shall be in the steamship business, operating between Canada and the British West Indies, before this matter is concluded. I warn the government that they ought not to do that. If there has been no complaint on the part of the British West Indies—and we have heard of none; at least the Finance minister has not taken us into his confidence to that extent—as to the character of the service in the previous year, and if the cost of the new proposed service is as large as some of us anticipate, I think there ought to be a modification of this particular part of the agreement.

I should not like to see the government and the country too optimistic about the benefits that may accrue to us from the West Indies trade agreement, especially those of us in the Maritime provinces. There are about three things we can export from New Brunswick to the West Indies: lumber, certain agricultural products, and possibly certain dairy products. Lumber now goes along well established routes by sailing schooners, so that it is not affected, and the treaty will be of no benefit in that respect. The amount of lumber that will be shipped to the British West Indies as a result of the agreement will never have any appreciable effect upon the lumber trade.

With respect to potatoes, we have the trade now in the Maritime provinces, and this treaty will be of no particular benefit to us. I venture the assertion that it will not increase the production of potatoes by 1,000 bushels per annum.

I should like to reserve whatever other remarks I desire to make in respect to this

matter until we get into committee, with this statement, that the government should not have attempted during the last election to take to itself the kudos for entering into a trade agreement which, from the statements of its very sponsors, was supposed to have been kept out of the sphere of party politics, and for that the government and the Prime Minister himself are to be condemned.

Mr. BALDWIN: Does the hon. member not know that great quantities of fish are shipped from St. John, New Brunswick to the West Indies?

Mr. HANSON: I understand that that business is carried on through New York. If the hon. gentleman will consult the records of the Department of Trade and Commerce he will see that the people who import fish in the British West Indies buy only the meanest kind of fish. They buy dried hake, a kind of fish that neither my hon. friend nor any other self-respecting man would eat.

Mr. J. E. ARMSTRONG (East Lambton): I am just as anxious as any other member of this House to develop trade within the British Empire, but I certainly do not wish to see that trade develop at the expense of industries in our own Dominion. I call attention of hon. members to the fact that this treaty will vitally affect one very important industry in my riding. Farmers living in western Ontario have a sugar beet industry of tremendous importance. Tens of thousands of acres of sugar beets are grown in that part of the province, valued at millions of dollars, and the profits to a considerable extent go back into the pockets of the farmers. It is a basic industry in that part of the country. In two sugar refineries alone, in Wallaceburg and in Chatham, at least $5,000,000 have been invested. In the town of Petrolia, where I live, we made an attempt a few years ago to build a sugar refinery. We are in the heart of the sugar beet industry, and that industry was being developed to an enormous extent prior to the action taken by this government in 1923. You will remember, Mr. Speaker, that this government then reduced the duty on sugar one-half cent per pound. The very day after the duty was lowered the refineries in Wallaceburg and Chatham reduced the price of sugar beets to the farmers of that whole countryside fifty cents per ton. That might not have amounted to very much when sugar beets were selling at $8 or $10 a ton, but at the present prices of $5 or $6 a ton you can appreciate the fact that fifty cents a ton is a very important consideration to the farmers of that country.

We had an organization of sugar beet growers in that district with over 4,000 members. Just about that time these men conceived the idea that the proper way for them to develop the industry was to build a sugar refinery in Petrolia. To that end they gathered together over $200,000, and they have already spent that amount on the sugar refinery, believing that they were going to receive fair consideration from this government. But the duty on refined sugar having been reduced by one-half cent per pound, what was the outcome? Hon. gentlemen must recognize the fact that you cannot build a sugar refinery without spending nearly a million dollars. These men were carrying on a campaign for funds to develop the sugar refinery, but when the price of sugar beets was reduced it made it impossible for them to obtain capital and all their efforts went for nothing. The result is that buildings stand on those grounds to-day with the rafters up and without roofs—a monument to the folly of this government and the way they have conducted the affairs of this country.

Mr. ROBB: What is the use of my hon. friend talking such nonsense, when we have before us applications from the sugar beet people of Alberta to let in more men for the additional labour required in that province for the sugar beet business?

Mr. ARMSTRONG (Lambton): We have heard all this wonderful story before. We heard from the Minister of the Interior something about the building of a sugar refinery in Alberta but that was only built within the last year.

Mr. MEIGHEN: Just started.

Mr. ARMSTRONG (Lambton): Just started. Those gentlemen do not realize what they are up against. People living in Ontario, with the finest sugar beet growing land in the world, are surely able to compete with our good friends in Alberta. The position in which the farmers of that whole countryside are placed is not only a humiliating, but a very difficult one owing to the price of raw sugar coming in from the West Indies being reduced. Last year $17,000,000 worth came in from the West Indies and $26,000,000 worth from Australia. The government have reduced the duty on that article coming from Australia and now in the same way we are going to reduce the duty on these products coming from the West Indies. Yet we find hon. members to-night who will stand up and defend this treaty in all respects. We

who live in the sugar beet area appreciate to the full that the time has come when our industry should receive some consideration at the hands of this government. It is an important industry in fact, a basic industry of this country, and although hon. gentlemen opposite in their platform boast of protecting the basic industries of Canada, this is one that surely the Minister of Agriculture (Mr. Motherwell) himself must see the wisdom of at least not undermining with all these different treaties.

I wonder whether the Minister of Finance (Mr. Robb) and those who assisted him in framing this treaty took into consideration the fact that this enormous industry is in its infancy in western Ontario. We are producing to-day only about ten per cent of the raw sugar that is consumed in Canada but why not give this industry an opportunity to develop? Why undermine it and flood this country with raw sugar from all parts of the world to compete with our own product? We heard the hon. member for North Bruce (Mr. Malcolm) a few minutes ago say: that this treaty is going to be an excellent thing for the manufacturers of this country and we ought to be prepared to make some concessions. But I notice the concessions that these gentlemen make in connection with these treaties are largely undermining the basic industry of this country, agriculture, and I for one will certainly raise my voice in protest against that particular part of the treaty.

I have tried to-night to secure a copy of this treaty from the distribution office and I am informed that the only copies there are printed in French. I would think in an important matter of this kind—

Mr. ROBB: Just a moment. I discovered from the officers of the department a few days ago that there were four hundred copies of this treaty printed in English and none in French, and I gave orders that the French edition should be printed immediately. They are now in the distribution office.

Mr. STEVENS: I sent twice to get copies and they were refused.

Mr. ROBB: They should be in the distribution office.

Mr. ARMSTRONG (Lambton): About two hours ago I called for a page and the chap who came to me first was rather small in stature. I asked—

Mr. ROBB: I am just told by the Clerk that 250 copies have been distributed from the distribution office to members of the House.

[Mr. J. E. Armstrong.]

An. hon. MEMBER: When?

Mr. ROBB: I do not know.

Mr. ARMSTRONG (Lambton): An important treaty such as this should be in the hands of the members.

Mr. ROBB: Certainly.

Mr. ARMSTRONG (Lambton): I am surprised; I know the Minister of Finance, if he had thought of the matter, would have had them distributed.

Mr. ROBB: But he did think of it and he did have them distributed.

Mr. ARMSTRONG (Lambton): The fault is not mine, because I made an effort at least to obtain a copy.

I honestly hope that when we come to deal with the clauses of this treaty, every consideration will be given to the industry to which I have called attention to-night. I know my people feel that they have had that industry seriously interfered with in 1923, and now on top of that we are to have another treaty opening the door and letting in this raw material from other countries with cheap labour and cheap transportation. Surely the time has come when we as a people should appreciate the fact that the industries of our country and not the industries of other countries, even if they are part of the British Empire, are our first charge.

Mr. THOMAS CANTLEY (Pictou): Mr. Speaker, it is not my intention at this time to deal at any length with the commercial phases of this question. That I think has been better dealt with by the senior member for Halifax (Mr. Black) and some others who are better acquainted with that phase of the situation than I am. The minister has referred to the character of the steamer service supplied the West Indies by Canada under the recent treaty and he has stated that that service has not been satisfactory. That statement is well within the mark. The service was certainly not satisfactory to the people of the West Indies nor to the people who took advantage of it and travelled by it. That service was operating at one time with four and later three discarded boats of the Royal Mail service boats, which had formerly been employed in the South American trade and were out of date, foul smelling and lacking in accommodation. The proposal now, as I understand it, is that we should embark upon three different services at a cost for new vessels of probably between five and six million dollars. The senior member for Halifax has referred to the loss that is likely to ensue from the operation of these vessels and his

estimate in that connection is, I think, pretty close to the mark.

I wish particularly to call the attention of the House to the proposal to put on freight vessels to compete with private enterprises in the Maritime provinces and elsewhere. We have had quite enough of that in the last few years without embarking on any more of that particular kind of business. It is not fair that the government of this country should compete with private enterprise in matters of that kind. We have to-day a number of merchant marine vessels tied up in the port of Halifax and elsewhere eating their heads off, and if they could be sold at even the prices obtained for boats that have been disposed of during the past two years, it would be good business for us to get rid of them.

One phase of the question seems to have some possibilities of merit. I refer to boats which, if of the character I have in mind, would capture the winter tourist trade of this country now running into enormous figures, and which trade is benefiting our friends of the United States, especially California and Florida. Thousands and tens of thousands of Canadians are every winter travelling to those two states and spending anywhere from $30,000,000 to $100,000,000 annually in a foreign country. If we want to aid our compatriots of British origin in the West Indies, we should turn that trade their way instead of to California and Florida. I believe we could do it to the advantage not only of the West Indies but of Canada as well. I would suggest putting on a fast service of 12 or 14-knot boats making weekly trips from the ports of St. John and Halifax alternately to the West Indies. Also run from Winnipeg weekly a special West Indies winter tourist train. That train could leave Winnipeg on Friday, running through Toronto and Montreal, get into Halifax or St. John on Sunday, and connect with those boats. This fast tourist train could thus collect tourists from Winnipeg and all the way down east to Halifax, destined for various West India islands, to the mutual advantage of Canada and that portion of the empire, for it would be a means of consolidating at least these two sections of the British commonwealth. The people of the British West Indies are just as British as we are, and I know of no better method than that I have just suggested of promoting good relations and a wider common understanding between us.

That brings me to another consideration. I have on a previous occasion spoken of Maritime rights, and while I will not dwell upon the subject to-night, I want to drop a hint. It is sometimes said that if the Maritime provinces left the confederation they could do nothing by themselves. Well, perhaps they could not, and perhaps they could. I would remind the House, that the population of the three Maritime provinces combined totals about a million, and in any quarrel that might arise as a result of any dislocation in conditions in that part of the country, as they have existed since the first days of confederation, the three provinces would act together. I would ask hon. members this question: how has Newfoundland got along? That island has not been a part of the Canadian confederation, but is it not prosperous? Are the people of Newfoundland bankrupt? Have they made no progress? I will never admit for a moment that the people of the Maritime provinces could not get along alone and without assistance, but in conjunction with the island of Newfoundland could not the Maritimes make a treaty with the West Indies or with the United States, if to their advantage? At least, we would get along as well as we have during the last twenty years. I am not a secessionist and I hope I shall never have reason to be one; but whether I am one or not will depend altogether on the nature of the treatment accorded my part of the country by the other members of the confederation in the immediate future.

Mr. THOMAS McMILLAN (South Huron): We are certainly living in a wonderful age, an age of conversion. We hear gentlemen getting up and telling us that they are absolutely opposed to the government going into business in competition with private interests and more particularly in the steamship enterprise. Yet when they were in power themselves they were so anxious to get into that business that they expended $75,000,000 in steamships, paying as high as $190 per ton at a time when the British government was offering for sale its own vessels at a price in the neighbourhood of $45. Let hon. gentlemen consider what their friends did when they were in office, and let them offer some justification for that conduct.

Not only are we living in an age of conversion, we are living in an age of discovery. It may be surprising to you, Mr. Speaker, as it is no doubt interesting to the young members in this section of the House, to know that we have discovered in this parliament so many new-found champions of the interests of the farmers. One of those champions has just taken his seat in the person of the hon. member for East Lambton (Mr. Armstrong).

Mr. ARMSTRONG (Lambton): I refute that statement. I am no new-found champion of the farmers' interests. I represent a municipality in which there are a large number of farmers—

Some hon. MEMBERS: Order.

Mr. McMILLAN: I leave it to the judgment of the House whether the hon. member has not shown himself to-night a champion of the farmers' interests. Is he not championing the interests of the farmers of Ontario in favouring protection?

Mr. ARMSTRONG (Lambton). Yes, and I am proud of it.

Mr. McMILLAN: I am living in the centre of a sugar beet district where the people have been growing beets for years, and this is the first time I have ever heard the suggestion that the government of this country did wrong when they reduced the tariff on raw material of sugar as they did a few years ago. We farmers are neither narrow nor circumscribed in our opinions. Let me tell the House that the agricultural production of this country as a whole amounted in 1923 to $1,342,000,000, of which we exported over $543,000,000 worth. The farmers know that, and they also know that in order to dispose of their products they must export a very large proportion of them. They know, further, that the price obtainable for that exportable surplus regulates the price obtained at home. In view of all these facts the most superficial observer ought to realize that a 100 per cent duty would not increase the price of a domestic product at home. We must look at these questions from a national and not from any sectional point of view. Surely everyone knows that when there is a large exportable surplus a high duty cannot possibly have the effect of increasing the home price of that product. The farmers have therefore, come to realize as a class that the arguments adduced by our friends on the opposite side, for the purpose of proving that a high tariff on agricultural products will benefit them, are simply a blind, and the plea for higher duties on vegetables and small fruits is merely a lure to commit the Canadian farmer to a policy of sky-high protection in order to benefit some other class. Arguments such as these are only sectional, and no government which is worthy of the name should consider any public question from such a point of view. The government must take into account the interests of the nation as a whole, and that is the standpoint from which the farmers of Canada do, as a rule, view public questions. From that broad national point of view we realize that a system of high protection would be the worst policy which could be adopted in this Dominion.

Can hon. gentlemen opposite quote one manufacturer in this country who is a protectionist in the sense of wanting the government to impose high duties on the raw products which he requires for his own industry? Is there anyone in Canada who in that sense of the word is a protectionist? No. They all want to get everything they need for their own industries at the lowest possible prices obtainable, and quite reasonably so. But they are human, intensely human, when it comes to selling their goods. When they have anything to sell they are like the rest of us: they want the highest prices they can possibly get, even to the point of having the government jack up the tariff to such a degree as will keep out of this country foreign products similar to their own and in that way have the Canadian people at their mercy. That, Mr. Speaker, is the policy of hon. gentlemen opposite, that is high protection with a vengeance, Tory protection "as high as Haman's gallows." That is what we on this side of the House protest against.

And let me say this in conclusion, Sir. It is for these reasons that I should like to see carved in bold, outstanding letters above the head of every prime minister in Canada a message that all comers for government favours could not possibly miss seeing and understanding, namely: Efficiency in business is attained by men who rely upon themselves and the ingenuity of their own resources rather than on government favours. We on this side of the House who represent a great section of the Dominion believe that our people have as good brains as the people of any other country. This being so, all we want in every line of endeavour is a fair field and no favour. Then we can meet the competition of the world.

Motion agreed to and the House went into committee, Mr. Duff in the chair.

The CHAIRMAN: Is it the pleasure of the committee that the resolution be considered clause by clause, or debated as a whole?

Mr. STEVENS: Mr. Chairman, an hour or two ago I asked the Prime Minister if we might consider some of the clauses in the treaty when this resolution was in committee, and I understood him to say that that would be in order.

Mr. MACKENZIE KING: Yes, that is right.

Mr. STEVENS: Then I have one or two questions to address to the Minister of Finance (Mr. Robb) in connection with this matter. If he will turn to page 10, schedule A of the treaty itself, he will find at about the middle of the page this proviso to which I wish to draw his attention:

> Provided that nothing herein contained shall prevent the government of Canada from changing the rates of duty, provided the preferences granted herein are maintained.

I call his attention particularly to those last seven words, "provided the preferences granted herein are maintained." Now, one of the "preferences granted herein" is on sugar of one cent a pound. The effect of these words will be to render it impossible for parliament to reduce the duty on sugar below one cent a pound. I am not advocating for the moment that the duty should be so reduced, but I am pointing out that this form of preference, which is a specific preference rather than a percentage preference, ties the hands of parliament so that there can be no reduction below the amount fixed in this schedule; or to give effect to the treaty, Canada would be compelled to grant a bonus to the West Indies. Let me put it in a little different way. If Canada, for instance, reduced the general tariff to three-quarters of a cent a pound, we would be compelled then to pay to the West Indies a quarter of a cent a pound on all the sugar we bought from them in order to carry out the terms of the clause. That is the first point I wish to bring to the attention of the minister, and to suggest, if it is too late to do it in this treaty, that in future treaties we should deal with percentage preferences rather than specific amounts.

My next point is that the benefits of this treaty may accrue as far as sugar is concerned —which perhaps is the most important in it— to the refineries on the eastern coast; they do not apply to the refinery on the western coast, which is a very large institution and supplies a considerable section of the western part of Canada—I refer to the refinery in Vancouver, B.C.—for this reason, it is exceedingly difficult, if not almost wholly impracticable, to get cargoes of sugar from that portion of the West Indies affected by this treaty, we having no steamship lines established to the Pacific coast that will call and pick up these parcels of sugar. The minister has already received some considerable correspondence on this subject, I think. I wish to suggest, not merely with the desire of extending the application of low duties—that is not for the moment what I am speaking on,—but in order to be equitable and fair that the refinery on the Pacific coast and the people buying sugar from that refinery ought to have the privilege of securing their raw materials just as cheaply as the refineries on the eastern coast. This could be done, I think, if sugars from the Fiji Islands were admitted on the same preferential basis as cane sugars from the West Indies under this treaty. I would ask the minister: What has been the result of his investigation and thought over this question during the last few months? He will recall that I communicated with him I think on January 16, and that he had some other communications prior to that date. If the minister could tell me what has been the result of his pondering over this problem for some months, I think it would be of some advantage.

Mr. ROBB: Regarding the first point brought up by my hon. friend, if the price of refined sugar dropped very low, there might be something in his contention, but it would have to come down very low. The preference provided under this agreement differs very materially from the preference which the government of the United Kingdom gives to the West Indies and to the British possessions producing sugar.

Regarding his second point as to the disadvantage, or rather, let us put it the other way, the advantage the eastern refiners have over the refiners on the Pacific coast, the government recognized that feature, and we are under commitment to extend to Australia, and this was done particularly to help out the sugar refiners on the Pacific coast, the advantages contained in the West India agreement when that agreement comes into force.

As regards the Fiji Islands, there is a considerable trade there. When I went to school we were taught to believe that the Fiji islanders were not very great producers, although it was said they did have a liking for the producer. There is a considerable trade developing in the islands, a trade of great importance. The capital of the Fiji Islands, Suva, is quite a good town and a growing town. They have a government house there that compares very favourably with the government houses of most of the provinces in Canada. If the colonial government of the Fiji Islands were prepared to make some additional concessions to Canada, I think we might very reasonably consider the observations made by my hon. friend to-night. But does he think with me that it is wise to see what kind of a trade we can make with the

Fiji Islands additional to the preference we now have?

We have had a pretty lengthy discussion, Mr. Chairman, of this resolution. Suppose we now let it have its first reading, or pass all the stages so that I may introduce the bill, which will give hon. gentlemen an opportunity of seeing it in detail. Then we can hold the bill over for a considerable time to give them an opportunity of studying it. I am just suggesting that, not pressing it at all. My hon. friend from Lambton had some difficulty in securing the information he desired, although I have been told that instructions were given this week to mail a copy of the agreement to every member of the House. It is just possible that among all the material that is sent to members, some may not have noted the agreement; but those were the instructions given.

Mr. MEIGHEN: When were they given?

Mr. ROBB: I think copies were mailed to members on Wednesday.

Mr. MEIGHEN: Members have not got them.

Mr. ROBB: Some of them have.

Mr. MANION: I just inquired now at the distribution office, and they told me that they had received only enough copies for the members, and some may have gone astray in the mail. I think a further supply should be brought downstairs.

Mr. ROBB: I will see that that is done, but what my hon. friend has said confirms exactly what I said. I tabled the agreement here purposely one day this week so that the copies of the agreement might be released and mailed. I repeat, I am prepared to stay here and answer all questions, but as it is now eleven o'clock I think we might pass the first reading.

Sir HENRY DRAYTON: I was going to say that we might very well stop now, but before doing so, it might avoid delay if we were to point out one or two things to the minister, so that he would be in a position to deal with them when this matter comes up again. In connection with sugar, which is, of course, a very important question, as my hon. friend knows very well, what is he defining now as the degree of polarization? I really forget the commercial degree of polarization—

Mr. ROBB: There are no changes whatever in that respect.

Sir HENRY DRAYTON: We have a long list of polarizations running all the way from very, very low averages up to 100 per cent.

Mr. ROBB: From 82, 83 to 97, 98.

Sir HENRY DRAYTON: That is my own recollection. I want to point out this to my hon. friend: If in the ordinary conduct of commerce we are bringing in sugars for the purpose of refining them here, running to these degrees, there is a fairly substantial preference —I am not complaining about it at all—but the preference is substantial. When we get to 97, there is a preference which is plus one cent. Then it works down to half a cent. At 96 we have exactly one cent a pound. I wonder if my hon. friend will agree with me in this, that as the price to the farmer of sugar beats in Canada is regulated having regard to the market for raws, and also having regard to sugar content, then on the ordinary basis of sugar beat production in western Canada a reduction in the duty, and therefore a reduction in the price of raws—I admit the reduction does not go to the producer, but to the refiner—automatically results in a reduction in exactly the same proportion to the beet grower. Does he agree with me, for example, that when his predecessor took his half cent a pound off raws, there was a reduction to the Ontario producer of sugar beets of 50 cents a ton? If he does not, I would like him to look into it, because it is certainly something which we ought to have no dispute about one way or the other. If I am right in this, and I think I am, the reduction in duty worked by this preference of a cent a pound will result in a reduction to the farmer on every load that he carries to the refinery of one dollar a ton. I think my hon. friend will find that is right. Mr. Chairman, I am not for one minute trying to press this unfairly or beyond where it should go. I know it affects only a comparatively small percentage of the raw sugars coming to this country; that we get most of our raw sugars from other sources, largely from Cuba. But has my hon. friend considered at all what effect that would have upon the price of sugar beets, and to what extent that will be common?

11 p.m.

There is another thing to which I also wish to draw his attention, and that is in connection with the confectionery business. We get our cocoas very largely from British South Africa.

Mr. ROBB: From the west coast.

Sir HENRY DRAYTON: Yes. Those cocoas are comparatively cheap, much cheaper than the Trinidad cocoa. I understand that the cocoa question is a very live question for Trinidad, and that they have been asking for the specific concession which they have here. I have been advised by those in the manu-

facturing business that they can use in their mix only a certain percentage of the Trinidad cocoa, and that no more Trinidad cocoa will be bought at all as a result of this preference, because this preference, although it is relatively good, would still leave the Trinidad cocoas considerably more expensive than the African cocoas, and the manufacturers would still have to have for the purpose of their mix the cheaper cocoas of Africa. That will mean additional taxation to the Canadian manufacturer on the raw material which he will still have to continue to import from Africa. I have no doubt the question has been brought to my hon. friend's attention. I am told that that will make a considerable difference; that it will make it impossible for manufacturers here to continue manufacturing the sweets which are sold in bars, the package sweets with a chocolate content; that they can be produced no longer for five cents, and that the effect will also be to raise the cost of manufacturing here. It is urged that some attention ought to be paid in the general tariff schedules to our production of confectionery of this kind. I just bring these points to the attention of my hon. friend. I do not ask him to deal with them to-night.

Mr. ROBB: I will have the points advanced by my hon. friend looked into. I admit with him at once the amount of preference that was given on the raw sugar, and I will confess to the House that we have sometimes wondered whether the government should not have given a little more attention to the urgent requests of the delegates from the British West Indies with regard to polarization in order to allow in some of their grades. Still I think we have used the sugar refiners of this country pretty well. They are doing fairly well, and—

Sir HENRY DRAYTON: My hon. friend does not get my point.

Mr. ROBB: I know well what my hon. friend has in mind.

Sir HENRY DRAYTON: I am speaking of the producer, not of the sugar refiner.

Mr. ROBB: Allusion was made a few moments ago to the increased importations of raw sugar. It is quite true. The importations of raw sugar during the last two years were greatly in excess of previous years, but exportations were also far in excess of previous years. I tried to get the figures, but as I recall them the sugar refiners of Canada have had their best year and have done their largest export business.

As regards the other point of my hon. friend in relation to cocoa, it is true that representations have been made to us. The conditions are these: When the delegates from the West Indies were here they said: "If we are to give the people of Canada a preference in our markets for their products, is it not reasonable that they should only give a preference to those countries that give them a preference?" They said that the west coast of Africa gave no preference to Canada, and they cannot do so for a certain period of years because of an agreement entered into with, I think, France. We thought that was fairly good reasoning; at least that was my opinion. Sometimes I agree with my right hon. friend the leader of the opposition and in considering that matter on the 2nd of June last—he will recall that we had this conference on that date—I heard the right hon. gentleman use these words:

> I do not see any reason why we should continue to give preference to anybody unless we get preference in return. . . . . My principle is, give advantage for advantage, but do not give it without.

Well, that is the policy that we followed in taking away the concessions from the west coast of Africa, which does not give us any preference. We do give a preference to Trinidad, which buys our butter, our cheese, our condensed milk, our fish, and whatever products we have to sell.

The CHAIRMAN: Shall the resolution carry?

Mr. MEIGHEN: The government does not expect to get the resolution through to-night?

Mr. ROBB: I will not press that, but I should like to have introduced the bill.

Mr. MEIGHEN: If the resolution goes through the committee it is through; that is all there is to it.

Mr. ROBB: I will table the bill. I will not press the matter if my right hon. friend objects.

Mr. MEIGHEN: We do not want the resolution to go through in detail until we understand all about it.

Mr. ROBB: Very well, I will move that the committee rise and report progress.

Progress reported.

ADJOURNMENT—BUSINESS OF THE HOUSE

Mr. MACKENZIE KING moved the adjournment of the House.

Mr. MEIGHEN: Has the government any information as to what private business will be taken up on Monday?

Mr. MACKENZIE KING: I have been informed by the hon. member for Winnipeg North Centre (Mr. Woodsworth) that he will be prepared to go on with his resolution.

Mr. MEIGHEN: He has two.

Mr. MACKENZIE KING: The first one that appears under Notices of Motion.

Mr. MEIGHEN: That is the very first one?

Mr. MACKENZIE KING: Yes, the very first one. I may also tell my right hon friend that the hon. member for Macleod (Mr. Coote), who has a resolution for a reduction in the customs tariff on automobiles and motor trucks, will be ready to proceed. The hon. member for Qu'Appelle (Mr. Millar) is also ready to go on with his resolution relating to making protein tests in the research laboratory at Winnipeg. These are the only three resolutions, so far as I have learned, that are likely to be proceeded with.

Mr. MEIGHEN: I assume the government feels then that all reason for postponing discussion on the subject matter of the first resolution referred to is now past?

Mr. MACKENZIE KING: Yes, I think so.

Motion agreed to and the House adjourned at 11.10 p.m.

Monday, March 22, 1926

The House met at three o'clock.

GOVERNOR GENERAL'S SPEECH

ACKNOWLEDGMENT OF ADDRESS IN REPLY

Mr. SPEAKER: I have the honour to inform the House that I have received a message from His Excellency the Governor General, signed by his own hand, reading as follows:

I have received with great pleasure the Address you have voted in reply to my Speech at the opening of parliament, and thank you for it sincerely.

BYNG OF VIMY.

GOVERNMENT HOUSE, OTTAWA,
18th March, 1926

DEATH OF QUEEN ALEXANDRA

Mr. SPEAKER: I have received a message from His Excellency the Governor General which reads as follows:

Members of the House of Commons:

I have the honour to thank you for the resolution of the House of Commons forwarding an Address to His Most Excellent Majesty the King expressing the deep regret and heartfelt sorrow of the Senate and Commons of Canada at the demise of Her Majesty the Queen Mother. I have forwarded this Address to the Secretary of State for Dominion Affairs in order that it may be duly laid at the foot of the Throne.

Byng of Vimy.

GOVERNMENT HOUSE, OTTAWA,
19th March, 1926.

MINISTER OF RAILWAYS AND CANALS

CERTIFICATE OF ELECTION

Mr. SPEAKER: I have the honour to inform the House that the Clerk of the House has received from the Chief Electoral Officer a certificate of the election and return of the Hon. Charles Avery Dunning for the electoral district of Regina.

INTRODUCTION

Hon. Charles Avery Dunning, Minister of Railways, member for the electoral district of Regina, introduced by the Right Hon. W. L. Mackenzie King, and Hon. W. R. Motherwell.

SELECT STANDING COMMITTEES

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That the names of Messrs. Chabot and Parent be substituted for those of Messrs. Jenkins and Jones on the select standing committee on Miscellaneous Private Bills.

That the names of Messrs. Lapierre, Evanturel, Hanson and Ryerson be substituted for those of Messrs. Robichaud, McLean (Melfort), Maybee and Grimmer on the select standing committee on Banking and Commerce.

That the name of Mr. McLean (Melfort) be substituted for that of Mr. Goodison on the select standing committee on Mines, Forests and Waters.

That the name of Mr. Lapierre be substituted for that of Mr. Euler on the select standing committee on Railways, Canals and Telegraph lines.

That the names of Messrs. Chabot and Evanturel be substituted for those of Messrs. Black (Yukon) and Duff on the select standing committee on Standing Orders.

That the name of Mr. Lapierre be substituted for that of Mr. Duff on the select standing committee of Public Accounts.

That the name of Mr. Lapierre be substituted for that of Mr. Euler on the select standing committee on Printing.

Motion agreed to.

PRIVILEGE—MR. POULIOT

Mr. JEAN FRANCOIS POULIOT (Temiscouata): I rise to a question of privilege. I refer to an article published in the Montreal Gazette some time ago. On the 10th March instant, there appeared in that paper a quotation from a speech delivered in Montreal by "the man on the street"—I mean Sparks street, namely Mr. R. P. Sparks, who repeated the same thing in Toronto. More-

over, I see that in the same article Mr. Theodore Morgan voiced the opinion that the statement should be printed in pamphlet form and distributed throughout the country—"Sherwin Williams paint covers the world!" In his speech Mr. Sparks said:

All the organized bands of crooks that are living at the expense of the taxpayers of Canada hope that it will be a fiasco.

He means the customs probe.

A whole group of corrupt customs officers who are taking bribes hope that it will be a fiasco. American prison contractors who are shipping thousands of dozens of goods here, I am sure, are hoping it will be a fiasco. If Mr. Pouliot does hope so, he has got lots of company.

In explanation of those things let me refer to a former article in the same paper, the Montreal Gazette, on March 8. It is a resumé of a speech I made at Montreal at the Reform Club on March 6. I wish to quote this extract from that resumé:

The member for Temiscouata did not go deeply into the subject of the customs inquiry, but advised his listeners to spread counter-propaganda against the "odious attacks of Mr. Stevens," which he claimed are being distributed throughout the country in pamphlet form.

This is the point. I only said then that the Tory propaganda in connection with the customs probe would be a failure and an immense fiasco. I have nothing to say about the result of the customs probe, except that Mr. Sparks' nonsense may make of it a fiasco.

Mr. MEIGHEN: I rise to a point of order. I have not detected in anything quoted by the hon. gentleman any subject matter of a question of privilege. Certainly, even if there were, the remarks which he is making are away beyond his right as a member at this time.

Mr. POULIOT: I think I have a right to explain my position on such a question of privilege and moreover I have just a word to say—

Mr. MEIGHEN: Mr. Speaker, I ask for your ruling. I should have risen, I think, on many other occasions similar to this. If this is permitted, there might be no end to orders of the day.

Mr. SPEAKER: The hon. gentleman states that he rises to a question of privilege respecting certain statements made by Mr. Sparks in commenting upon a speech delivered by the hon. member himself at the Reform Club. He has indicated the remarks he made after having quoted from the Montreal Gazette, and I suppose he is coming now to the remarks made by Mr. Sparks and wishes to deny certain statements attributed to that gentleman.

Mr. MEIGHEN: The point is this. He came some time ago to the only reference to himself which was contained in these words:

If Mr. Pouliot does hope so he has got lots of company.

He is at liberty to deny those words or the implication of them, but he cannot go into a dissertation of this kind.

Mr. SPEAKER: I hope the hon. gentleman will state briefly the question of privilege—what he would like to deny before the House.

Mr. POULIOT: I will say why Mr. Sparks said that.

Mr. MEIGHEN: That is not privilege at all.

Mr. POULIOT: He said that because he went to the Prime Minister to ask for protection on clothes which he manufactures, which protection was refused.

Mr. SPEAKER: I would like the hon. gentleman to follow the rules—state the question of privilege, make a personal explanation and leave the matter at that.

Mr. POULIOT: The personal explanation is this, that to use parliamentary language I should say that Mr. Sparks is neither a snake nor a skunk, but that he has the high qualities of both.

PRIVATE BILLS

SECOND READING

Bill No. 12, respecting Joliette and Northern Railway Company.—Mr. Denis (Joliette).

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

LIVE STOCK OFFICIALS

Mr. SUTHERLAND (South Oxford):

1. How many officials of the Department of Agriculture are now on the pay-roll and being paid out of vote No. 49 for live stock, in each province, classified as follows: sheep promoters; poultry promoters; poultry inspectors; egg promoters; egg inspectors?

2. What amounts were paid out to the above by provinces during the calendar year 1925, under the heads of salaries, bonuses and expenses?

Hon. Mr. MOTHERWELL:

1 and 2.

	Salary and Bonus	Expenses
Prince Edward Island.		
3 Egg inspectors	$ 3,960 85	$ 2,001 22
Nova Scotia.		
1 District sheep promoter	2,160 00	2,765 61
1 Sheep promoter	1,575 00	1,844 24
1 Promoter of egg production	1,980 00	2,806 12
1 Egg inspector	375 00	133 54
New Brunswick.		
1 District sheep promoter	2,370 00	2,058 80
1 Junior sheep promoter	1,443 75	1,495 05
1 Poultry promoter	1,573 50	1,991 51
1 Promoter of egg production	734 61	770 99
1 Egg inspector	1,500 00	933 90
1 District poultry promoter	2,400 00	2,087 80
Quebec.		
2 Sheep promoters	3,203 53	6,211 58
4 Egg inspectors	6,275 49	1,453 17
1 District poultry promoter	3,420 00	2,323 62
Ontario.		
2 District sheep promoters	4,800 00	4,373 84
2 Sheep promoters	3,672 56	1,899 11
1 Junior sheep promoter	1,443 75	1,245 84
1 Chief egg inspector	2,850 00	1,132 80
9 Egg inspectors	12,353 86	7,947 77
3 Poultry inspectors	3,038 80	3,410 38
1 District poultry promoter	2,400 00	1,331 27
2 Promoters of egg production	3,578 23	2,768 32
2 Poultry promoters	1,673 81	1,566 10
Manitoba.		
1 District sheep promoter	2,130 00	2,402 42
7 Egg inspectors	10,169 25	5,433 42
1 Senior egg inspector	616 00	85 35
1 District poultry promoter	2,400 00	2,439 27
Saskatchewan.		
2 Egg inspectors	3,158 52	1,976 07
Alberta.		
1 District sheep promoter	2,400 00	3,222 05
1 Sheep promoter	1,695 00	1,908 45
3 Egg inspectors	3,909 76	3,006 01
3 Promoters of egg production	5,492 56	6,521 10
1 District poultry promoter	2,370 00	2,945 17
1 Poultry inspector	1,573 50	1,991 51
British Columbia.		
1 Sheep promoter	1,785 00	1,141 03
5 Poultry inspectors	6,810 80	6,795 09
1 District poultry promoter	2,370 00	708 55
3 Egg inspectors	5,248 58	3,325 57

It should be noted that the above employees are listed in the provinces where their respective official headquarters are located. In many cases, however, these employees are, for certain periods of the year, required to work in neighbouring provinces as the necessities of the work demand.

[Mr. D. Sutherland.]

THAMES RIVER DREDGING

Mr. CHAPLIN (Kent):

1. Was there a government dredge at work in the Thames river during the month of October, 1925?
2. If so, on what date was it promised, and on what date did it start?
3. How many days did it operate?
4. At what cost?
5. Is it proposed to continue the work during 1926?

Hon. Mr. KING (Kootenay):

1. Yes.

2. (a) Authorized in August to be done as soon as SS. Thousand Islander had laid up for the season; (b) September 28, 1925

3. Forty-five.

4. $9,738.55 approximately.

5. Yes.

AMALGAMATED CIVIL SERVANTS OF CANADA

Mr. FOURNIER:

1. Is there an organization known as "The Amalgamated Civil Servants of Canada?

2. If so, where are its headquarters?

3. What is its object?

4. What are the qualifications required for membership?

5. Is it recognized and approved by the government?

6. How many other unions or associations of civil servants are recognized and approved by the government?

Hon. Mr. LAPOINTE:

1. Yes.

2. Vancouver, B.C.

3. Its object as stated by its official publication called The Organizer is as follows: "The Amalgamated Civil Servants of Canada are organized for the purpose of uniting all federal employees and Dominion civil service bodies into one association, the more effectively to advance and maintain their social and economic welfare."

4. No information.

5. No information.

6. No information.

EXPENSES OF MINISTERS WITHOUT PORTFOLIO

Hon. Mr. EDWARDS (Frontenac):

With respect to the following ministers and ex-ministers without portfolio: Honourable Messrs. Marler, Massey, Sinclair, McGiverin and Dandurand, what has been the cost to the country, inclusive of expenses, secretarial and other assistance, of each of such ministers, for each of the years up to the 1st January last during which they were in office?

Right Hon. Mr. MACKENZIE KING:

Hon. Mr. Dandurand, nothing.

Hon. Mr. McGiverin, nothing.

Hon. Mr. Marler, nothing.

Hon. Mr. Massey, nothing.

Hon. Mr. Sinclair:

1921-22	$295
1922-23	309
1923-24	625
1924-25	320
1925-26	450
	$1,999

ILLEGAL LOBSTER FISHING OR PACKING

Mr. MACDONALD (Kings):

1. How many prosecutions were undertaken for infraction of the fishery regulations in regard to illegal fishing or packing of lobsters in the province of Prince Edward Island during the year 1924, and the year 1925, respectively?

2. What are the names of the parties proceeded against, on what charge, the official undertaking the prosecution, and the result in each case?

3. Were any convictions secured against regularly licensed packers, and if so, were their licenses renewed for the following year?

4. Were fines and expenses collected in any or all cases? If not, on whose recommendation or authority were they suspended?

Hon. Mr. CARDIN:

1. 1924, 17; 1925, 8.

2.

Names of Defendants	Charge	Complainant	Judgment
1924			
Wesley McQuarrie	Having 9 spawn lobsters in crate Nine Mile creek.	Dan Taylor, Sec. Fish Union.	*(a)* $25
Leo Shea	Having lobsters illegally in possession.	Overseer C. R. Palmer	*(b)* $200 costs or 6 months in jail.
Michael Perry	"	"	"
Joseph McInnis	"	"	"
John E. McGregor	"	"	"
Capt. Peter Perry	"	"	"
Bennett O'Halloran	"	"	"
Charles McCarthy	"	"	"
Wm. Dalton	"	"	"
Philerome Doucett	"	"	"
Jn. J. Costain	"	"	"
Jos. Arsenault	"	"	"
Geo. McKenzie	Having portions of lobsters on premises in close season.	Overseer R. W. Squarebriggs.	"
Michael Griffin	Having lobsters illegally in possession.	Overseer C. R. Palmer.	"

Name of Defendants	Charge	Complainant	Judgment
1924			
Chester Llewellyn	Fishing lobsters during close season, Boughton Island.	Overseer P. A. McLellan.	*(c)* $100
Lem Allen	"	"	"
R. H. Williams	Having lobsters illegally in possession.	Overseer R. W. Squarebriggs.	*(b)* $220 and costs or 6 months in jail.
1925			
J. E. Jardine	Running lobster lines before six a.m., Pownall Bay.	Inspector S. T. Gallant.	$25 and costs.
L. E. Moser	Having berried lobsters in possession Woods island.	Overseer J. C. Shaw	$50.
Alex. McLeod	Having illegal lobsters in possession.	"	$50.
Jn. W. Cantello	"	"	$20.
Neil S. Morrison	"	J. A. Lutes	$50.
O'Hanley Brothers	Destroying berried lobsters.	J. J. McIsaac	$50.
J. J. Arsenault	Having lobsters illegally in possession.	Overseer R. W. Squarebriggs.	$100.
Charles Burt	Fishing lobsters in close season.	Overseer J. C. Shaw	$5.

3. Yes. Yes.

4. Fine marked (a) suspended by magistrate owing to youthful age of defendant. Fines marked (b) allowed by magistrate to stand pending good behaviour. Fines marked (c) allowed by minister to stand pending good behaviour, owing to needy circumstances of defendants. All others paid.

ALIEN ENEMY PROPERTY—HUNGARY

Sir HENRY DRAYTON:

What is the total amount received in cash by the Custodian of Alien Enemy Property from property wholly or partially disposed of, on account of Hungary?

Hon. Mr. LAPOINTE:

The total amount received in cash in respect of Hungarian property was $18,181.86. This amount has been reduced by reason of releases granted, and the actual amount now in hand is $7,328.45.

SIX NATIONS INDIANS

Mr. SENN:

1. Did a delegation from the Six Nations' reserve at Brantford come to Ottawa last summer at the summons of the Superintendent of Indian Affairs or other official of the department?
2. If so, who were they?
3. What amount did each receive for expenses?
4. Was this money paid out of the funds of the band?

Hon. Mr. STEWART (Edmonton):

1. Yes. Upon request of the Indian council the visit of the delegation was authorized by the Deputy Superintendent General.

2. F. L. Johnson, William Smith, John R. Lickers, Hilton Hill. Accompanied Lieut.-Col. C. E. Morgan, Indian Superintendent.

[Mr. Cardin.]

3. The sum of $189.35 was paid for expenses of the Indian members of the delegation.

4. Expenses of Indian delegates were paid from Six Nations funds.

Mr. SENN:

1. Have any members of the Six Nations Indians at Brantford been enfranchised under Chapter 50, section 3, amendment to section 107 of the Indian Act of 1920?
2. If so, how many?
3. Has a patent for any lands on this reservation of the Six Nations Indians been issued by the crown to anyone under Chapter 50, section 3, amendment to section 107 of the Indian Act of 1920?
4. If so, how many and to whom?

Hon. Mr. STEWART (Edmonton):

1. No.

2, 3 and 4. Answered by No. 1.

UNOPPOSED MOTIONS FOR PAPERS

REPORTS ON ENEMY PROPERTY

Sir HENRY DRAYTON:

For a copy of the report or reports, finding or findings, made by the late Honourable William Pugsley, in his capacity as Custodian of Enemy Property, or any other capacity while in the pay of the government of Canada, since his retirement as Lieutenant-Governor of the province of New Brunswick.

HUDSON BAY RAILWAY

Sir HENRY DRAYTON:

For a copy of all correspondence and reports made by the management of the Canadian National Railways or any officer or official thereof to the government or any department or officer or official thereof, in relation to the construction, operation or financing of the Hudson Bay railway.

WHARF AND PORT AT BIC, RIMOUSKI

Mr. DOUCET:

For copy of all correspondence, telegrams and paylists in connection with all repairs made to wharf and port at Bic, Rimouski county, Quebec, during financial years 1924-25 and 1925-26.

WHARF AT NEW RICHMOND, QUEBEC

Mr. DOUCET:

For a copy of all correspondence, telegrams, paylists and other documents relating to repairs made to the wharf at New Richmond, Quebec, in 1922, of which repairs Mr. John B. Cyr was foreman for the Department of Public Works.

MR. JOHN HANNA

Mr. MAYBEE:

For a copy of all letters, telegrams, correspondence, petitions and other documents exchanged between the Department of Railways and Canals or any other department of the government, or any officers of the said departments and any person or persons, relative to the dismissal of Mr. John Hanna, bridge master or tender on the Murray canal.

BONNYVILLE, ALBERTA, POST OFFICE AND POSTMASTER

Mr. BURY:

For a copy of all correspondence, complaints, reports, communications and documents of all kinds in connection with the investigation held by the investigating post office inspector into the post office at Bonnyville, Alberta, and into the conduct of Mr. Potvin, the former postmaster there.

HUDSON BAY RAILWAY AND PORT NELSON

Mr. NICHOLSON:

For a copy of all letters, telegrams, correspondence or proposals made by or on behalf of any company, individual, or group of individuals, to the government of Canada or any department thereof in relation to the taking over and completion of what is known as the Hudson's Bay railway, from a point at or near The Pas to Port Nelson or Fort Churchill, including such harbour works and materials as have been constructed or are at Port Nelson or along the line of railway, also any memoranda or estimates of any character whatsoever with regard to the proposed taking over of such railway line and harbour works.

OFFICERS AND MEN OF PERMANENT FORCE

On the motion of Mr. Doucet:

For a return showing:—1. The numbers of each of the following, lieutenant generals; major generals; colonels commandant; colonels; lieutenant colonels; majors; captains; lieutenants; non-commissioned officers of each rank; privates at present or at the latest date at which the information is available, in the employ of the government of Canada in the permanent force, including civilian employment and the air force, (a) at headquarters at Ottawa, (b) at each military district in Canada.

2. How and where each is employed, appointment, regimental, staff or otherwise.

3. The amount paid each annually (a) in cash, (b) amount given to each annually by way of allowance, showing details of allowances.

4. The amounts deducted from or charged to each annually on any account (other than penalties) showing details of deductions.

5. Those employed as instructors, with the rank of each and where employed.

6. The number of persons instructed from August 1, 1924, to August 1, 1925, the rank of each, the course given each and where each instructed.

Mr. MACKENZIE KING: My hon. friend (Mr. Doucet) agreed with the Minister of National Defence (Mr. Macdonald, Antigonish-Guysborough) that he would particularize more in detail the information he wanted so as to avoid the large amount of correspondence here indicated being brought down. If the hon. member is agreeable to the motion being adopted on that understanding there is no objection to its passing at the moment.

Mr. DOUCET: I am quite agreeable.

Motion agreed to.

MR. H. BOULAY

On the motion of Mr. Hanson (for Mr. Culligan):

For a copy of any letter or letters written by Mr. H. Boulay, of Sayabec, county of Matane, to the Minister of Militia and Defence at Ottawa, on January 18, 1918.

Mr. LAPOINTE: When this motion was first moved the Minister of National Defence requested the mover to indicate the subject matter of the correspondence he required, inasmuch as in his department the correspondence is filed according to the subject matter and not under the names of correspondents.

Mr. HANSON: The hon. member is not in his seat and the motion might stand.

Motion stands.

SETTLEMENT OF IMMIGRANTS

On the motion of Mr. Boys (for Mr. Morand):

For a return giving a settlement of all permits issued by the Minister of Immigration, under section 4 of the Immigration Act, showing the names of all persons permitted to enter Canada under the said section during the years 1922, 1923, 1924, 1925; the occupations and former residences of all such persons; the dates and places of entry into Canada; the duration of their stay in Canada as allowed by such permits and whether still in Canada; and if so, their present places of residence; and if not now in Canada, the dates and places when and where they left Canada.

Mr. STEWART (Edmonton): The motion asks for "a settlement of all permits" issued by the Minister of Immigration; I think what is meant is a statement.

Mr. MEIGHEN: It should be "statement."

Mr. STEWART (Edmonton): I would call attention to another matter: I do not think the hon. member wants all the information he is asking for. There are two kinds of

permits; the minister may issue a permanent permit or one of a temporary character. The motion would indicate perhaps that it is only the temporary permits to which the hon. member has reference, and if the order were allowed to stand I could look into it.

Motion stands.

DOCUMENTS RELATING TO WAR CLAIMS

On the motion of Mr. Nicholson:

For a copy of all orders in council, letters, telegrams or other documents between the government of Canada or any department official or appointee thereof, and parties presenting claims of any character whatsoever incurred or presumed to have been incurred during and as a result of the Great War, 1914 to 1918, or the clearing offices in Germany and Austria, and falling under any of the articles of the treaty of Peace and more particularly under Articles 296, 297, 298, 299, 300, 301, 302, 303 and the annexes or general provisions relating thereto.

Mr. LAPOINTE: I am sure that if I merely indicate to my hon. friend what this motion would involve he will not insist upon it. Otherwise I shall be compelled to ask that it be transferred to debatable motions. There are 7,560 files relating to this question and the number of claims is upwards of 10,000, while the number of documents in support of these claims is 20,002. There have been 101,700 letters written and 100,000 received, many in foreign languages. It would take three years and a half to complete the work, and the wages alone would be $21,600.

Mr. NICHOLSON: The resolution may stand and I will confer with the minister.

Mr. SPEAKER: Stands—for conference.

CANADIAN NATIONAL RAILWAYS—ROUYN RAILWAY

Mr. O'NEILL moved:

For a copy of all correspondence, telegrams and reports relative to the construction, financing or operation of the Rouyn railway passing between the government or any department or official thereof and:

1. The management of the Canadian National Railways or any officer or official thereof;
2. The government of the province of Quebec or any department or official thereof;
3. The Rouyn Railway Company or any officer or official thereof;
4. Messrs. Dillon, Read and Company or any official thereof;
5. The American Exchange Securities Corporation or any official thereof;
6. The Noranda Mines Limited, or any official thereof.

Hon. CHARLES A. DUNNING (Minister of Railways and Canals): Stand.

[Mr. C. A. Stewart.]

Mr. MEIGHEN: I think the mover of the motion might have a little say whether it stands or not.

Mr. DUNNING: I make the request merely as a matter of courtesy. I did not intend to infringe upon the privileges of any member. Just as a matter of courtesy, if the mover would permit, I would ask that the motion stand.

Mr. O'NEILL: Yes.

Motion stands.

PULPWOOD EXPORTS

Mr. ANDERSON (Halton) for Mr. James Arthurs moved:

For a copy of all correspondence, letters, telegrams or recommendations relating to an embargo upon pulpwood or to a proposed export duty upon pulpwood shipped from Canada. Such order to apply to correspondence, etc., subsequent to January 1, 1921.

Hon. J. A. ROBB (Minister of Finance): if this is allowed to go through, it is on the understanding, after consultation with the mover, the hon. member for Parry Sound, that he designates just what he seeks because, this involves a great deal of correspondence which would be of no interest to him.

Motion agreed to.

CANADA'S IMPERIAL RELATIONS

RESPONSIBILITY FOR COMPLICATIONS ARISING OUT OF POLICY OF UNITED KINGDOM

Mr. J. S. WOODSWORTH (Winnipeg North Centre) moved:

That, in the opinion of this House, Canada should refuse to accept any responsibility for complications arising from the foreign policy of the United Kingdom.

He said: Mr. Speaker, this is a subject which, I clearly recognize, has a great many bearings, and upon which there may be considerable difference of opinion not only as between parties, but as between individuals within the various groups. I fancy there has been in the past somewhat of a tendency to treat rather lightly matters that relate to the foreign policy of this country; but now that the war hysteria has passed and feelings have more or less subsided, it would seem that it is high time that we should give a little more serious consideration to our relationships with the Mother Country with regard to foreign policy.

I know that there is likely to be some opposition to this proposal, but I would point out that nearly all reforms are opposed, dire results are foretold, and very frequently there are fervent appeals to what is known as patriotism. Glancing over a bit of history

the other day, I noticed that during the debate on the Reform Bill of 1832, introduced by Lord John Russell, Lord Macaulay in supporting the measure said:

> My hon. friend the member for the University of Oxford (Sir Robert Inglis) tells us that if we pass this law England will soon be a republic. The reformed House of Commons will, according to him, before it has sat ten years, depose the king and expel the lords from their House.

I do not think I need point out that although nearly one hundred years have passed by, the king has not yet been deposed and the lords still sit in their chamber.

In Canada the tendency is for some of us to be more British than the British. We sometimes neglect the spirit which underlies British action and imagine that loyalty suggests slavish conformity. In terms of psychoanalysis, I suppose we may be said to suffer from an inferiority complex. Some of us imagine that we are not quite big enough or wise enough to consider these things in our own right, and have simply to take second-hand the opinions of someone on the other side of the water. I do not know of a better illustration of this inferiority complex than that which is afforded by a statement credited to one of the Toronto members not very long ago. The Solicitor General (Mr. Cannon) has already quoted it this session. I refer the House to page 67 of Hansard, where the member for Northwest Toronto (Mr. Church) in a speech criticizing his leader's new war policy is reported to have said:

> Had we had this autonomy in 1914 Canada would not have been represented in the Great war. There would have been no 60,000 soldiers in France from Toronto.

I suppose he might have added: Nor 50,000 Canadian boys in French graves. Frankly, I had thought more of Toronto than would be indicated by this speech of one of its representatives. Think of it! He says: Had we had autonomy we should not have entered the war. Are we then to be dumb, driven cattle, and simply go into any action because we are forced into it? I take it the time has come when if we are to enter upon any such action it should be entirely of our own free will. It is well that we should place our position clearly before the world.

The preliminary question arises as to whether Canada has indeed a foreign policy. No one seems to know. Last year, while we had assurances from the government that we would be able to discuss foreign affairs, as a matter of fact the discussion was postponed until after midnight on the last day of the session; that was the only opportunity that we had during the session to discuss the foreign affairs of Canada. Yet I would point out that Canada must maintain very intimate relations with the United States 365 days of the year, and that we ought to have our foreign policy, so far as the States is concerned, very clearly defined. Fortunately since the union of the two great races in this country there has never been a war between England and France. I would, however, point out that if that contingency ever arose, which God forbid, we would all be placed in an exceedingly delicate position, and therefore we ought not to shut our eyes to what might develop. I would further point out, coming as I do from the west, that we have hundreds of thousands of immigrants who call one or other of the various European countries the fatherland or the motherland, as the case may be. What would happen in the event of war with some of these European countries in the days to come when the numbers of their nationals in this country are greatly increased? Further than that, within recent years Canada has become keenly interested in the Orient. Personally I am inclined to think that a great many of our trade developments in the days to come will be on the Pacific rather than on the Atlantic, and that more and more we shall have to pay attention to our relations with our trans-Pacific neighbours.

In the last war, though having no immediate concern with European affairs, Canada found herself involved, and we are still struggling under the burden of the debt created by that Great war? What about the next war? Perhaps hon. members will say: It is too early to consider the next war. I am not at all sure about that. I noticed that just the other day Major General J. H. MacBrien was talking to the Anglican Fellowship Club in this city. By the way, I should like to take this opportunity of protesting against any employee in the public service going around doing propaganda work for any particular policy. We do not permit it in any other of the departments. I would call upon the government to forbid any employee definitely engaging in political propaganda with respect to a question on which there is a wide divergence of opinion in this House. On December 15 last this gentleman said:

> It is useless to deceive ourselves into believing that there will not be another war. . . . The cause for this next war to come might well be an adjustment of frontiers in the European countries.

Well, here we have our chief of staff definitely preparing us and the country at large for another war that is likely to arise, as he

says, because of the adjustment of frontiers in the European countries. If that is the case, surely it is high time that we took full opportunity of a discussion such as may be initiated by my motion. Almost at the same time we have Viscount Jellicoe suggesting that Canada should contribute $36,000,000 a year for the next few years towards the cost of the Imperial navy, and should provide a squadron of four cruisers within the next four years at an annual cost of approximately $10,000,000, during the four-year period of construction. He also suggests a cruiser in reserve. He estimates the annual cost of the maintenance of the four cruisers at approximately $4,290,000. So here we have not merely our own war men but those from the Motherland urgently pressing upon us the need of preparing for the next war.

I think it unnecessary for me to point out that the question of Canada's relationship to foreign nations is inextricably involved with Canada's relationship to the United Kingdom. Under existing circumstances, we cannot deal with our policies without dealing with our relationship to the United Kingdom, and I am glad to see that there is coming to be somewhat of a changed sentiment with regard to this matter. Hon. gentlemen may recall that in 1922 the right hon. leader of the opposition (Mr. Meighen) gave utterance to his famous expression "Ready, aye, ready. We stand by you." Now, three years have passed, not a very long period, but a few weeks or months ago we find the same gentleman saying at Hamilton:

> I believe it would be best not only that parliament should be called but that the decision of the government, which of course would have to be given promptly, should be submitted to the judgment of the people at a general election before troops leave our shores.

I am inclined to think that the right hon. leader of the opposition has gone too far in that. If we are to assure the effectiveness of any war, it would hardly do to call parliament together in order to provide an opportunity for a referendum. But while I am inclined to think he has gone too far, I do not think we are going too far in settling the principle before another war is in sight. Now is the time to decide such a matter. As a further indication of a change in sentiment, I would quote a clause from the constitution of an organization which we have in western Canada, known as the Native Sons of Canada, a patriotic and fraternal society. The plank in their platform or constitution relating to Canada's status reads as follows:

> It is imperative that the parliament of Canada shall have sovereign rights. Our Dominion must acquire the constitutional status of a nation, enjoying absolute equality with any other component part of the British Commonwealth. The rights hereby demanded should not rest on sentiment, nor the assurances of statesmen, but should be enacted as law by the proper parliaments. Generous safeguards and covenants, protecting the vested rights of provinces, and civil and religious liberties, should be preserved.

It is not my purpose, Mr. Speaker, to enter at any length upon the question of Canada's legal and constitutional status. I hope that before this discussion is over some of the legal gentlemen who are specialists in this matter will take advantage of the opportunity and go into this question more fully. But from my standpoint, as an ordinary layman, I do not know that such discussions help us very much. We are told that if Canada wants her autonomy she may have it, that no obstacle will be placed in the way by Great Britain. That may be true. Personally I am inclined to think that the greatest obstacle has been the fact that we have never asked for larger autonomy, and have never been determined to gain it. In fact it is only within recent years that there has grown up any considerable sentiment with regard to that question. But I submit, Mr. Speaker, that we are not to-day attributing blame or casting aspersions upon the authorities of Great Britain; we are not declaring that they refused to give us this, but we are taking the position that it is quite within our rights to discuss whether or not we want it. It will be time enough afterwards for Great Britain to say whether or not she is agreeable to our having it. I would point out that the constitutions which have been drawn more recently than our own go much further than the British North America Act. For example, when the Irish Free State bills were being discussed in the British House of Commons, it was pointed out that there is no phrase in the British North America Act making the Dominion of Canada a co-equal member of the community of nations forming the British commonwealth of nations. Similarly, there is in the Canadian constitution no such declaration as that contained in the Irish Free State constitution, which states that all powers of government and all authority, legislative, executive and judicial, are derived from the people of Ireland. The Irish constitution also provides that save in the case of actual invasion the Irish Free State shall not be committed to participation in any war without the consent of parliament.

At the last Imperial conference it will be remembered that the prime ministers of the dominions refused to attempt to define by resolution the present relationship of their

dominions to the Mother Country, and Mr. Bonar Law welcomed the refusal. He added:

I say without hesitation, that if this parliament were to pass an act which attempted to limit the powers of the dominions, according to statute, it would re-echo all through the dominions, and would be one of the most dangerous things that could happen.

I am not very sure, however, that our powers in Canada are not already limited. For example, during the last few days we had the report of a decision of an appeal to the Privy Council from two judgments of the Supreme Court of Alberta, in which we find that the Lord Chancellor, Viscount Cave, in speaking of the powers of the Canadian parliament, said:

In their Lordships' opinion, section 1025 of the Canadian Criminal Code if and so far as it is intended to prevent the sovereign in council from giving effective leave to appeal against an order of a Canadian court is repugnant to the Judicial Committee Acts of 1833 and 1834 which have been cited and is therefore void and inoperative by virtue of the act of 1865. It is true that the code has received royal assent, but that assent cannot give validity to an act which is void by imperial statute.

I say I am not blaming the imperial authorities, but I would suggest that our legal standing has not kept pace at all with constitutional developments.

In discussing the constitution of Ireland a writer in the Canadian Gazette, which is published in London, under date of November 30, 1922, suggested that the relationship of the various component parts of the British Empire should be that of a partnership by consent. I accept the phrase, Mr. Speaker, and I fancy that if we worked out our relationship somewhat along that line we would get a great deal further. A partnership by consent means by the full consent of each partner. We are, however, frequently told that we should not avoid our imperial responsibilities. This is said to us by some of our militarist advocates, especially with regard to contributions which they think should be made to the Imperial navy. I would like to point out what Lord Milner said several years ago in his little book entitled Questions of the Hour, at page 97:

We could not afford to reduce it—

Speaking of our army.

—even if we had no empire at all. And as for the navy, we need it for the protection of our world-wide commerce and mercantile marine, and we should need not a smaller but a larger navy if we were deprived of the navy bases which the empire contains.

So it would seem that we are under no very great obligation to the Motherland with regard to the maintenance of a navy. I should like to urge the general principle that financial responsibilities are contingent on moral responsibility. The Imperial conference of 1917, on the resolution of Sir Robert L. Borden, stated that we—

—should recognize the right of the dominions and of India to an adequate voice in foreign policy and in foreign relations, and to provide effective arangements for continunous consultation in all important matters of common imperial concern.

With regard to this, I should like simply to ask two questions, and urge that they be answered by anyone who still maintains that we ought to assume responsibility for actions of the United Kingdom. My first question is: Can anyone say that to-day Canada has an adequate voice in the foreign policy and in the foreign relations of the United Kingdom? My second question is: Can we hope to have an adequate voice, can anyone suggest any plan by which we could possibly have an adequate voice in the very complicated questions which are continually arising in the foreign policy of the great British Empire?

It is not my purpose, Mr. Speaker, to deal at any length to-day with the question of Locarno. I am of the opinion that this question is of sufficient importance to Canada to be dealt with under a separate order, and I should like to think that the Prime Minister would give us the assurance that we would have a full opportunity of discussing the Locarno treaty. But, incidentally, I should like here to point out that the conference of Locarno has produced a significant and important international declaration affecting the status and obligations of all the dominions of the British commonwealth. Article IX of the Rhineland security pact between Great Britain, France, Belgium, Italy and Germany reads:

The present treaty shall impose no obligations on any of the British dominions or upon India unless the government of such Dominion or of India signifies its acceptance thereof.

Speaking to the journalists assembled at Locarno, Mr. Chamberlain, when asked if he represented and spoke for the whole British Empire said:

You do not appear to know the constitution of the British Empire. The dominions and the other parts of the empire are bound only if they ratify of their own free-will and accord.

I would like to accept that statement of Mr. Chamberlain. However, while I do so I recognize that there is the other side of the question as well. This is pointed out by Lord Parmoor, who is one of the highest authorities on the subject. He is reported by the press as saying:

The Locarno pact was signed without previous consultation with the dominions. It places upon Britain an obligation to fight on the side of either France or

Germany in the case of aggression, and the dominions cannot escape some of the results of these obligations.

It is true that Mr. Chamberlain inserted a clause protecting dominion interests so that the dominions are not obliged to send troops or any form of assistance in the event of war arising from the Locarno treaty, but if Britain goes to war, the rest of the empire automatically goes to war, and no general election in Canada or vote by the Canadian parliament can alter this international fact. All that Canada can do is to refuse to assist, but under international law she still remains the enemy of Britain's enemies.

I would call this to the attention of the right hon. leader of the opposition, with his suggestion that the whole matter should be referred to the people at large before troops leave our shores. Let me repeat it:

No general election in Canada or vote by the Canadian parliament can alter this international fact. All that Canada can do is to refuse to assist but under international law she still remains the enemy of Britain's enemies.

I have been speaking so far of the danger that we experience here in Canada of being dragged into war without having an adequate voice in saying whether or not we desire to go to war, but I would further point out that even in Great Britain the power of parliament is decidedly limited. I should like to quote a few paragraphs from a little pamphlet entitled Foreign Policy and the People, by Morel and Lees-Smith. It may come somewhat as a surprise to some of the members of this House to know how limited are the powers even of the British parliament with regard to the making of war. The article reads:

4 p.m.

The powers now enjoyed by the executive and by individual ministers in matters of foreign policy may, then, be summarized as follows:

(1) Ministers can conclude and ratify a treaty with a foreign power or powers, committing the country to go to war under certain contingencies, without the prior consent of parliament, and without, therefore, any precedent national debate. Parliament is only informed after the act has been committed, and the country has become bound. Theoretically, no doubt, parliament being thus presented with such a treaty can throw out the government that has concluded it, but for a host of reasons this is well-nigh an impossible course for parliament to pursue. It never has so acted. Considerations of party politics and of personalities make it virtually impossible that it should so act. A government with a dependable majority behind it can always defeat any such attempt.

Example: the Anglo-Japanese alliance.

(2) Ministers can, when presenting to parliament the text of such treaty, withhold from the published text certain clauses either attached to the original treaty itself, or embodied in a separate document. The treaty, as presented to parliament, may do no more than provide for the settlement of various disputes and for the diplomatic support of the power with whom the treaty is made for certain objects which that power may be pursuing. But the secret clauses may be of such a character as to alter entirely the general character of the treaty, and be tantamount to involving the nation, without its knowledge, to go to war under certain contingencies. The danger of the exercise of this power is the greater in so far as parliament and the country in this way may be entirely misled as to the real character of the agreement entered into.

Example: the secret clauses of the Moroccan-Egyptian convention in the Anglo-French general settlement of 1904.

(3) Ministers can conclude and ratify a treaty with a foreign power or powers committing this country to go to war under certain contingencies, or committing it to a vast extension of military and political liabilities without informing parliament for an indefinite period.

Example: the conventions with Italy, France and imperial Russia during the war.

(4) Ministers can authorize joint military and naval co-operation for potential war with another state or states without informing parliament, and without even informing their colleagues in the cabinet.

Example: the Anglo-French military conventions of 1906-1914.

(5) Ministers, sure of their parliamentary majority, can levy direct and indirect war upon another state or states without giving the country the right to pronounce upon their action.

Example: the military and naval operations, directly and indirectly continued, against Soviet Russia in 1919-1921.

It is, therefore, in the power of the executive to commit the nation without national debate and even without national knowledge to irrevocable decisions.

Further, and this is something that we hardly recognize in Canada, there is in Great Britain what is known as the Committee of Imperial Defence. Arthur Ponsonby, the late Under-Secretary of State for Foreign Affairs, in his recent book, Now is the Time, says, page 42:

This body which is outside parliamentary control and not subject to political change in the same way as a cabinet gives a military and strategic interpretation to all questions of policy, and in a powerful yet inaccessible position forces the administration of the day, whatever its political colour may be, to modify and, if need be, abandon projects conceived on the lines of international co-operation.

This is the situation which exists with regard to the control of foreign affairs even by the parliament of Great Britain. Much less may we in Canada by the very indirect means provided, hope to exercise any effective control. Under these circumstances, Mr. Speaker, I urge that we be honourable, and that we now serve notice that our partnership is one of limited liability. Someone who has been reading my motion has suggested that it may possibly leave itself open to the interpretation that never under any circumstances should we go to the defence of the United Kingdom. Such I think perhaps is rather a far-fetched interpretation. However, I have no desire at all to insist upon certain phrasing being maintained. I think my resolution is sufficiently clear to enable every member of this House to understand its purport, namely, that without reference to, or decision by this House we assert that we

do not propose to be bound by anything that may be transacted overseas.

In bringing forward a resolution of this kind I am not anti-British, but I am anti-imperialistic, which is an altogether different matter. In Canada we all know there are a great many different classes of people and different policies. There are advocates of higher tariff and advocates of lower tariff. There are advocates of what has been called the National Policy, and there are those who condemn the "National" policy. The right hon. leader of the opposition (Mr. Meighen) is not accused of being unpatriotic because he attacks the policy of the present government. The leader of the Progressives (Mr. Forke) is not accused of being unpatriotic because he attacks what is known as the National Policy, nor might I say am I anti-British when I oppose the imperialistic designs of a small but powerful group in Great Britain. In fact, in arguing along this line to-day I am in line with the policy of the British Labour party. If certain gentlemen feel that they have a perfect right in this House to support the imperialistic designs of some individuals in Great Britain, I as a Canadian have an equal right to support the ideals and policies of that great party in Great Britain which before long will again be the government of that country. In their pamphlet issued several years ago, at the time of the organization of the British Labour party, we find this statement of the position of that party towards foreign affairs:

LABOUR AND THE NEW SOCIAL ORDER

We desire to maintain the most intimate relations with the Labour party overseas. Like them, we have no sympathy with the projects of "Imperial Federation," in so far as these imply the subjection to a common imperial legislature wielding coercive power (including dangerous facilities for coercive imperial taxation and for enforced military service), either of the existing self-governing dominions, whose autonomy would be thereby invaded; or of the United Kingdom, whose freedom of democratic self-development would be thereby hampered; or of India and the colonial dependencies, which would thereby run the risk of being further exploited for the benefit of a "White Empire," We do not intend, by any such "Imperial Senate," either to bring the plutocracy of Canada and South Africa to the aid of the British aristocracy, or to enable the landlords and financiers of the Mother Country to unite in controlling the growing popular democracies overseas. The autonomy of each self-governing part of the empire must be intact.

And as I know there are members of this House who do not keep very closely in touch with affairs in Great Britain, and yet who feel themselves quite competent to speak on any and every occasion as the representatives and protagonists of Great Britain. I should like to read a certain resolution of the National Council of the Independent Labour party passed February 13. Mr. Ramsay MacDonald, who is one of the outstanding members of this organization, is now of course well known throughout Canada. This document reads:

The I.L.P. declares itself in favour of the ending of political and economic imperialism by a policy directed to the following ends:

1. The development of systems of full self-government in all countries at the earliest opportunity in accordance with their racial characteristics, and the extension to all non-self-governing countries, in the transition period, of a re-constituted mandate system, instead of the sole control being left to single powers.

2. The creation of world economic organization, with the object of establishing a progressive international standard of labour conditions, the protection of native peoples from capitalist exploitation, the rationing of world supplies according to need, and the regulation of credit.

In particular the I.L.P. demands,

1. The recognition of the independence of Egypt by the withdrawal of British troops, accompanied by the submission of the issues of the Suez canal and the Sudan to the League of Nations.

2. The immediate withdrawal of all repressive measures in India, the declaration of an amnesty for all political offenders, and the recognition of the right of India to self-government and self-determination, by acceptance of the proposal of the Indian Legislative Assembly that a representative Indian Convention should prepare a constitution for India, and by using British influence to secure the withdrawal of the disabilities from which Indians suffer in the British Empire and other countries.

3. The complete revision of the treaties imposed upon China by the Great Powers, with a view to the restoration of full self-government.

4. The reversal of the Imperialist naval policy in the east, including the abandonment of the Singapore Dock and the "Indian" Navy.

5. The termination of the British occupation of Irak.

Finally, the I.L.P. urges upon the British and international labour movements the necessity of assisting the workers of Asiatic and African countries which are passing through capitalist control to organize industrially and politically for their protection against exploitation and for their ultimate emancipation. It recognises that the interests of the workers throughout the world, of whatever race, colour or creed, are one, and that international socialism cannot be fully realized until the workers of the world have united for their political and economic liberation.

If one of us labour men suggested a policy of that kind in Canada he would be liable to be accused of sedition. In England that is the policy of the Independent Labour party of which a former prime minister is a leading member. In regard to the particular issue we are now discussing I came across only the other day, in the little book to which I have referred—Now is the Time—at page 81, this declaration from Mr. Ponsonby:

The dominion citizens are, therefore, more completely than we are at the mercy of the false appeal to participate in international war. Their governments, too, are in a position of disadvantage which has become one of the chief concerns of imperial statesmen. No means has been devised of consulting

dominion governments on foreign policy. Indeed the intricate tangle of European relationship and intercourse from which at any time questions of moment may arise would seem to make continuous consultations with the component parts of our extensive but loosely knit empire impossible.

Moreover the interests of the various dominions necessarily differ. The problem has assumed an acute form since the conclusion of peace, and there is a growing feeling even among the dominion governments that they cannot be dragged at the heels of the Mother Country, unless they have full knowledge and have expressed approval of the policy in question.

I would call the attention of the House to this very significant statement.

Any disposition on the part of our dominions to refuse to join in these wars of European origin will be all to the good. The deadweight of a reasonable pacifism from that quarter might have a moderating effect on the home government.

Thus we have leading members of the British House of Commons welcoming such a declaration as that which is contained in my resolution now before the House.

I said that I was against imperialism. I recognize that there are various imperialisms in the world to-day. There is a German imperialism, not at the moment dangerous, having been ruined by its own ambition. There is a French imperialism that since the war has threatened Europe. There is an Italian imperialism that struts in the person of Mussolini and there is an American imperialism which is perhaps more dangerous to us in Canada than is British imperialism. I should like to read, as giving my idea in this regard, a short quotation as reproduced in the Western Producer of November 19, entitled "American Bankers Enslave the world." This is the quotation:

During the last year Americans have loaned to and in foreign countries an average of $115,000,000 per month. The foreign loans and investments of Americans now amount to $9,500,000,000 in addition to the $10,500,000,000 owed to the United States government with accrued interest of $1,500,000,000, making a total of $21,500,000,000 of loans and investments of Americans to and in foreign countries. Five per cent on this amounts to $1,075,000,000 annually.

The article goes on later to say:

The net income of the exploiting class in America amounts to at least twenty-five billions annually.

There is a situation in which we find a new economic imperialism developing on this continent. I should like to say very frankly that I prize our British connection because of the possibilities it holds in respect to resistance to American imperialism. As I look forward to the next few years I sometimes wonder what will happen when labour and socialistic ideals prevail in Great Britain. I wonder then whether our flag-waggers in Canada will follow as loyally the British lead as they advocate that we should do to-day. At this time, as a Labour representative in the House of Commons of one of the British nations, my special duty is to deal, not with German imperialism, or French imperialism, or Italian imperialism, or American imperialism. I hope we shall have an opportunity at some later date of dealing with the latter in connection with the discussion on the exploitation of our natural resources. But to-day I wish to deal with what has been termed British imperialism, and in this connection I should like to quote from a little treatise used as a textbook by labour groups in Great Britain. I do so because it affords a convenient summary and also because it gives the point of view of the workers of Great Britain, which is, I think, altogether too little understood by the rank and file of the people of Canada. I intend to trespass upon the patience of the House while I read a page or so which gives an outline of what is meant by modern or economic imperialism:

Modern European history and its wars easily and naturally divide themselves into three main epochs—the periods of mercantilism, nationalism and imperialism. The mercantile period was that in which the western European countries were striving to gain trading markets and monopolies in the other continents. It was one long period of wars small and great; and it necessitated military activity, so also it found appropriate political expression in such policies as (a) the balance of trade, which "estimated the worth of a nation's intercourse with another by the excess of the export over the import trade, which brought a quantity of bullion into the exporting country"; (b) the Navigation Acts, "designed to secure for English vessels a monopoly of the carrying trade between England and all other countries which sent goods to English or to colonial shores"; (c) the fostering of home manufactures. Its triumphs furnished both the stimulant and the necessary capital for an extension of manufacture, and thus brought about the inseparable but conflicting interests of the industrial capitalist class and the modern proletariat.

Next is nationalism:

Nationalism. With the development of capitalism the nations became absorbed in the effort to achieve geographical boundaries which would at the same time render them economic units. In order to accomplish this the rising manufacturing class sought political power and cleared away the old barriers to production and trade which the feudal system and the mercantile policy had created. It was the politics of industrialism which liberated the great productive forces that were so quickly and so completely to change the face of the earth. It is easy to see now—for everyone can be wise after the event!—that this struggle is the real, although for the most part unconscious, meaning of the passionate appeal for nationality which so stirred Europe, and not infrequently plunged her into war, during the nineteenth century.

I should like to suggest that we in Canada are perhaps passing through the period of nationalism although we are still dominated by the ideals and policies of the earlier mercantile period. In the meantime, the world

has come to their third period, that of imperialism:

Imperialism. External policy under the mercantilist regime had provided at once the dynamic and the necessary means for the internal industrial transformation of the west European countries. Now that internal development in turn stimulates a new period of international relations. The evolution of capitalism consists in the ever more rapid accumulation of capital in a few hands, and especially in the constant revolutionising of machinery and the methods of production. The value of these changes lies in their "labour-saving" quality. Living labour-power is replaced by machinery, the flesh and blood man by the "iron man." Thus masses of workers are from time to time thrown out of work, and a relative over-population is caused: there are more men than there are jobs for. The presence of this army of unemployed is one of the most powerful factors in keeping down the wages of the employed workers to mere subsistence level. Yet at the same time, the productivity of labour increases by leaps and bounds. Thus the masses are less and less capable of buying and consuming the ever-greater amount of commodities they produce. Capitalism presents the paradoxical spectacle of an always-growing power to produce wealth, together with widespread want and misery among the masses. Moreover, precisely at the moment when the wealth actually produced is most plentiful, workers are thrown out of employment because they have already produced more than their masters can profitably dispose of. With unemployment comes a stoppage of wages also, and thus a further closing of the markets—i.e., the market represented by the expenditure of the wages of the workers; and this in turn intensifies the great problem of capitalism: how to dispose of its surplus product.

The treatise goes on to show how capitalism is forever changing customers into competitors. Let me read:

Exploitation of the masses at home, the destruction of the home market by the lowering of the standard of life among the masses to the level of mere subsistence—such is the original cause of the necessity for seeking spheres of remunerative investment abroad. In creating these spheres of investment, the latter are themselves transformed into capitalist nations, or at least are set on their way to becoming capitalist nations.

And here is the point:

This creation of new spheres of influence and investment, and the political control of backward countries constitutes the essence of modern imperialism. Its motives are primarily economic; it enters into the political life of the native country as a means to that economic end.

I suppose we are now far enough away from the South African war to view it somewhat dispassionately; hence I venture to cite it as an illustration of the development of this modern imperialism. Mr. J. A. Hobson in his Evolution of Modern Capitalism says:

Nowhere in the world has there ever existed so concentrated a form of capitalism as that represented by the financial power of the mining houses in South Africa, and nowhere else does that power so completely realize and enforce the need of controlling politics. . .Recognizing that the success of their financial operations and of their political adjuncts was dependent upon the movement of public opinion and public sentiment in South Africa in Great Britain, they bought the leading organs of the South African press. subsidized political parties in South Africa and Great Britain, and organized a moral propaganda among the churches and philanthropic bodies. . .By a concentrated exertion of all their moral and intellectual influence they engineered a catastrophe, from the ruin of which they have emerged with a firmer grip than ever upon the substantial resources of the country and its government.

Think of it, Mr. Speaker: Within the short space of a little over a hundred years Great Britain has fought with the French and the Russians, with Arabs and Afghans and Zulus, with Boers and Ashantis and Burmese and Chinese, with Germans and Austrians, with Turks and Bulgarians, and with a host of smaller peoples. Are we forever to continue this game, and are we in this fair country of ours to be dragged in at any time that some of our commercial adventurers undertake to exploit some still unexploited part of the world? Think of the history of imperialism even since 1882, a date which is within the memory of most of us in this House. I would simply glance over some of the events. In 1882 Egypt, in which country the foreign control encouraged the nationalist movement, Great Britain crushed the revolt and there followed the so-called "temporary" occupation which still continues. Then there was the Venezuela boundary dispute of 1895 and 1896, closely connected with the gold fields, and the trouble in Persia in 1896 indirectly connected with the growing tobacco trade at that time and later on certain loans. In 1895 came the trouble in South Africa to which I have already referred, and concerning which Mr. Brailsford has summed up the cause in a couple of sentences:

What the mine owners really at bottom desired was cheaper labour, and their effort to acquire political power through the franchise had no other object. "Good government," as one of them reckoned, would mean two and a half million a year in dividends—War of steel and gold, pp. 55-6.

This war resulted in the establishment of Kaffir and Chinese cheap labour and compound slavery in the Rand mines, and in the reduction of white men's wages. I need not refer to the Anglo-Japanese alliance into which Britain was practically forced because of her growing isolation in other quarters, nor to the Fashoda incident after the settlement of which the Associated Chambers of British Commerce passed a resolution in favour of an entente between England and France for the mutual commercial benefit of the two countries. Nor need I go into the question of the Moroccan crisis, nor of the Anglo-Russians relations of 1906-7, concerning which we have not yet heard the last and because of which we have had so much trouble

in re-establishing relations between Great Britain and the Soviet republic. The treaty between Great Britain and Russia had reference to their relations in Persia, Tibet and Afghanistan. Then there was the Triple Entente of 1907. Great Britain about this time became involved in financial complications in China. The republican reformers were led by Sun Yap Sen. Their powerful backers, the Shanghai Chamber of Commerce and the Hong Kong and Shanghai Banking Corporation, were representative of British economic interests in China. With regard to all these imperialistic ventures I do not know that we have any clearer statement than that made by Sir Edward Grey in the British House of Commons on July 10, 1914, just before the outbreak of the war, when he said:

> I regard it as our duty wherever British capital is forthcoming in any part of the world, and is applying for concessions to which there are no valid political objections, that we should give it the utmost support that we can, and endeavour to convince the foreign government concerned that it is to its interest as well as our own to give the concessions for railways and so forth to British firms who carry them out at reasonable prices and in the best possible way.

I think it is nearly twenty years ago since personally I became aware of some of the evils of imperialism. In the Evangelical school in which I was brought up, people were in the habit of referring to some particular time and place as the time and place of their conversion. Well, I can date my conversion so far as imperialism is concerned. I was converted as the result of a visit some twenty years ago to the Army and Navy museum in Whitehall, where, as I went through chamber after chamber, I saw flags that had been picked up on various battlefields, stained with the blood of British soldiers. I saw tattered garments that had been stripped from the bodies of poor natives in almost every part of the world, and I saw engines of war, ancient and modern. It was then that it began to dawn upon me what imperialism really meant and what militarism involved, and from that time on I have tried to do what little I could to keep this country at least out of the imperialistic game. My convictions arrived at in Whitehall were confirmed a few months after by a visit to Egypt, where I learned something of what was going on at that time on the upper Nile, and how the British had been sending in punitive expeditions whenever it was necessary to quell the justifiable ambitions of some of the native tribes who were fighting for their very lives.

To-day I do not intend to discuss in any detail the causes of the Great war, although I feel that we have there the very best ex-

emplification that we can find of a great struggle brought on by what were fundamentally economic causes. In this connection, I should like to refer the House to our distinguished fellow-citizen, John S. Ewart, whose very painstaking work on the Roots and Causes of Wars is well worth perusal by every hon. member. With regard to modern wars, may I give the opinion of the late President Wilson. In a speech delivered at St. Louis he said:

> Is there in this audience any man or any woman, nay, is there any child, who does not know that the seeds of war are sown in hot, successful, commercial and industrial rivalry?

There are some people in Canada, it would appear, who have not yet learned that, even after the years that have elasped since that utterance was made and since so many books have been published on the question.

Without fully going into the references on this question, with the consent of the House, I should like simply to place upon Hansard particulars of about a dozen books in which the sources, at least so far as the British writers are concerned, are given in detail. They are:

Roch:—Lloyd George and the War. (Chatto & Windus).

Repington:—The First World War (Chapter 1). (Constable 2 vols. 21/ each).

Lord Fisher:—Memories. (Hodder & Stoughton, 21/—).

Lord Haldane:—Before the War. (Cassell, 7/6).

Lord French:—1914. (Constable, 21/—).

Peter Wright:—At the Supreme Council. (Nash, 7/6).

Sir Julian Corbett:—Naval Operations.

Miss Durham:—Twenty Years of Balkan Tangle. (Allen & Unwin 16/—).

Nielson:—How Diplomats Make War. (Huebsch, New York, $1.50).

E. D. Morel:—Truth and the War. (N.L.P., 2/—).

E. D. Morel:—Pre-War Diplomacy. (U.D.C., 6d.).

E. D. Morel:—The Poison that Destroys. (U.D.C. pamphlet).

E. D. Morel:—Military Preparations for the Great War.

Siebert:—Entente Diplomacy. (Putnam of New York).

Rene Marchand:—Un Livre Noir. (Paris).

Mr. G. P. Gooch, the eminent British historian, in the Contemporary Review of August, 1921, at page 181, said:

> We have now discovered that the Great War was caused by the bungling of a handful of highly placed individuals in different countries.

That is the historians have now come to the point where they frankly recognize that much that was told us during the war consisted of fairy stories, and that many of the appeals made during the war were absolutely without any true foundation.

But, Mr. Speaker, I am not so much concerned about the last war as I am about the next war. Now, what about the next war?

Within the last few days we have had a statement that I think ought to give any thoughtful man pause. According to the report in the Montreal Gazette of March 18 of a speech delivered by Sir Esme Howard, British Ambassador, before the Chicago Association of Commerce, he said:

> The next war will be a struggle for markets, and will be waged as bitterly as any that has ever sprung from traditional hatreds, national jealousies or territorial ambitions.

And again:

> The whole energies of governments will be bent toward the all-important, all-absorbing object of finding markets in other countries for the surplus production of their own, and of preventing their own from being swamped by the surplus production of the others.

We have clear revelations of the designs of the imperialists all through the carrying on of the last war. In passing, I would refer to the secret treaties, of which we in Canada were given no information whatever, and to the best of my knowledge have never yet been published in any of our leading Canadian papers. There was the treaty dealing with the partition of Persia in 1915; the treaty with Russia respecting Constantinople in 1915; the secret treaty—and I think the most disgraceful—with Italy of 1915; the treaty for the partition of Asiatic Turkey in 1916; the treaty between Russia and Japan in 1916.

Had I time I should like to have referred to the economic clauses of the Peace treaty of Versailles where, from every one of those clauses there sticks out the imperialist ambitions of certain great groups in the United Kingdom. But I must content myself by referring hon. members to Keynes' Economic Consequences of the Peace, or to any other book in which those clauses are set forth and explained.

I should like also to have referred to the system of mandates which has grown up in the period following the war, a system which, it seems to me, is absolutely unjustifiable in its character, since through it the more backward countries are placed under the arbitrary control of certain "advanced" nations.

I should like to refer to the imperialism that is manifested in the Dawes report, a report concerning which no less an authority than Lloyd George said a few years ago that it was not the work of the statesmen of Great Britain and of France, but was essentially the work of the international financiers. This Dawes report has had the effect of threatening to reduce the workers of Germany to industrial serfdom. Already its reactions have been so keenly felt in Great Britain that she is being forced to safeguard the standards of life in Germany in order that there will not be unfair competition from German workers in the products that are also manufactured in Great Britain—and so, as the hon. member for Labelle (Mr. Bourassa) suggests to me, lowering the standard of life in Great Britain. Thus so intimately is one country to-day connected with the other that in order to maintain the prevailing standard of life in Great Britain the British government to-day is forced to consider the maintenance of proper standard of living in Germany.

As I said a little while ago, I do not propose to discuss the bearing of the Locarno treaty on the subject matter of my resolution. Someone has said that it is the political supplement, as the Dawes report is the financial supplement, of the Versailles treaty. It may seem to be taking a good deal of the time of the House to go into these matters even in so cursory a way; still it is eminently fitting that we should do so. We are now at peace, and when we are at peace we have the only opportunity which is ever given to a people to discuss the question of international relations; when we are at war there is no opportunity whatever. I want to read a paragraph or two from an authority whom I have already quoted to-day, Mr. Arthur Ponsonby, Under-Secretary for Foreign Affairs in Ramsay MacDonald's government. Mr. Ponsonby is not by any means an alien; he comes from one of the oldest and most respected families of Great Britain; he is not in any sense irresponsible; he is not even a member of any communist organization. Yet what does he say? In a letter published in the Nation and Athenaeum of September 14, 1925, I find the following:

> Our government denied having made any agreement with France before the war. Yet an agreement not only existed but turned out to be a binding "obligation of honour."
>
> Our government knew that Germany alone was not solely responsible for the war, and although this fiction had to be put into the Treaty of Versailles there is no responsible minister who would maintain it now. But at the time it had to be declared.
>
> Our government knew that France and Russia had been expecting and preparing for war (as the disclosed communications between their ministers have since proved to be the case). But they represented the outbreak of war as coming from the enemy on innocent and unprepared nations.
>
> Our government knew that if Germany had not violated Belgian neutrality France would have done so; and a French general has recently admitted this in an article in "l'Ere Nouvelle." It was only the common sense of military strategy, of which we were fully aware. But the popular indignation which could be roused by the invasion of Belgium was an immense asset.
>
> Our government knew during the course of the war that the Serbian government were directly responsible for the murder of the Arch-Duke at Serajevo. But they never told us.

Our government knew that the Russian general mobilization preceded and caused the German mobilization, but we only discovered the documents to prove this towards the end of the war.

Our government knew there were no Russian troops in this country. But it was a rumour of strategic value, and they carefully abstained from ever denying it.

Our government knew that there were no corpse factories in Germany, but they framed their answers in parliament to this ridiculous supposition by suggesting, although never affirming, that there were.

I could multiply instances had I the space. But these may suffice to show how war makes it necessary to suppress the truth, which is the most insidious method of spreading falsehood.

I said a few moments ago, Mr. Speaker, that during a time of peace we have our only opportunity of discussing war, and to prove this I should like to read from an order in council passed in Canada in April, 1918. It is well that in peace times we remember how during war times our freedom is taken from us. The order in council is as follows:

Whereas the mind of the entire people should be centered upon the proper carrying out in the most effective manner of that final decision, and that all questioning in the press or otherwise of the causes of that war, the motives of Canada, of Great Britain, or the Allies, in entering upon and carrying out the same and the policies of them adopted for its prosecution must necessarily divert attention from the one great object on which it should be so centered, and tend to defeat or impede the effective carrying out of that decision, ... It shall be an offence to print, publish, or publicly express an adverse or unfavourable statement, report, or opinion concerning the causes of the present war, or the motives or purposes for which Canada, or the United Kingdom of Great Britain and Ireland, or any of the allied nations entered upon, or are prosecuting the same, which may tend to arouse hostile feeling, create unrest, or unsettle, or inflame public opinion. . . . .

This, I may say, was under penalty of a maximum fine of $5,000 or imprisonment for five years, or both. In harmony with this order in council, the houses of parliament authorized their Speakers to delete from the official reports of the debates any adverse statement, report, or opinion concerning the causes of the war, or the motives or purposes for which Canada and Great Britain, or any of the allied nations, had entered upon the struggle. During war, then, it becomes treason to talk peace. Surely, now that we are between wars, it may be permitted to us to speak.

I want to say, Mr. Speaker, that I am firmly convinced that the common people of Canada do not want another war. If we want war we must prepare for war, but I say it is equally true that if we want peace we must prepare for peace. That is the great truth this House must learn. While we have had war policies for a number of years in this country, and while the war psychology has dominated even this house of parliament, I believe the time is rapidly approaching when peace policies may be freely discussed upon the floor of this House, and when the general sentiment which is growing throughout the country will enable us to adopt steadily and definitely those policies which will make for peace. The war lords, the imperialists, the great financial and commercial and industrial kings, have largely captured the machinery of the government of the empire. Perhaps I cannot prove that; I think you have but to read many of the official records of the war and many of the books written since the war to have that statement fully borne out. Let me repeat it—and I give it here simply as a statement, because it affords the reason for the introduction of this resolution at this time: The war lords, the imperialists, the great financial and commercial and industrial kings, have largely captured the machinery of the government of the empire. It is for us to join hands with those of the other parts of the empire who are striving for peace. Surely we should at least assert our right to protect the lives of our children.

In closing, Mr. Speaker, may I suggest that we are too prone to think of the triumphs of the past, and too little given to consider what our action ought to be with regard to the problems presenting themselves to us now? In the age-long conflict between the forces of advance and the forces of reaction, the tide of battle goes backward and forward. Sometimes we are apt to say, "Well, our fathers carried the field; our fathers took this trench, and we are proud of what our fathers have done". Yes, then what shall we do? There are those who would sit down in the trench and fly their little flag and say, "My father took this trench, and from now on I dedicate my life to singing the praises of my father". In the meantime the battlefront has swept five miles ahead. I suggest that true patriotism consists not so much in looking to the past or in singing the praises of the past as in getting out of that trench and forward into the firing line. We have had wars in the past, all through history; we all know that. We have made advances in freedom in times past—I will not say whether because of wars or in spite of them—but we are proud of the advances which have been made in liberating peoples in times past. To-day, however, we face a greater problem, that of securing for the people of this country and of the world complete economic freedom. The battle is sweeping on ahead, and the problems are new. Our fathers never had

to face such problems, and I would suggest that we show true loyalty to the spirit of our fathers if we leave the trenches which they have taken and press on to more advanced ground. I would even venture to suggest that we are most truly loyal to the principles of our British forefathers if we do not rest on the precedents or institutions which they have created, but rather ourselves advance to create new precedents and new forms of government by which we may work out our common life in this new age.

Mr. W. W. KENNEDY (Winnipeg South Centre): Mr. Speaker, I ask hon. members the reason for this resolution. What is there behind this resolution brought forward by the hon. member for Winnipeg North Centre (Mr. Woodsworth)? What purpose does this resolution serve? What purpose can this resolution serve? I submit, Sir, that this resolution deserves nothing better than to be buried by this House without the aid of bell, book or candle. It is a resolution which, in my humble opinion, does not deserve anything but very short shrift at the hands of this House.

Why is it brought here? I do not purpose to go into any detailed discussion as to the position of Canada within the empire; I do not think such detailed discussion is called for by this resolution. I do take this opportunity, however, to say to this House and to the people of Canada, that the sentiments as enunciated by the hon. member for Winnipeg North Centre do not in any appreciable degree represent the ideas or thoughts or the people of the great city of Winnipeg.

Mr. WOODSWORTH: If I might interrupt—

Mr. KENNEDY (Winnipeg): I may tell my hon. friend that when I am finished, if he cares to ask me any questions, I shall be glad to answer any and all questions that he sees fit to ask.

Mr. Speaker, I say it is not only my privilege but my duty to rise upon this occasion because, representing, as I do, a constituency of the city of Winnipeg, I feel that I have a very personal and a somewhat local interest in what the hon. member for Winnipeg North Centre says. Let me read the resolution:

> That, in the opinion of this House, Canada should refuse to accept any responsibility for complications arising from the foreign policy of the United Kingdom.

"Canada should refuse to accept any responsibility." Mr. Speaker, a refusal predicates a demand, an insistence, or at the least a request. When has it ever been demanded of Canada by the United Kingdom that Canada should, in the words of the hon. member, be dragged into any of the empire's wars? Never since Canada was, has Canada by the demand of the United Kingdom been dragged into her wars? Never has she been requested to enter into them, nor is she requested at this time.

Under what conditions has Canada entered into the empire wars? By her own choice, by the choice of the people of Canada, and by that choice alone. I agree to this extent, that Canada recognizes no compulsion. Canada is impelled by no compulsion other than by the free-will choice of a loyal people, other than by the call of blood, other than by the call of kin calling to kin, other than by the desire of one nation in the great British commonwealth of nations to answer some great call of national or imperial need, answering some great call to fight for the right. Under such conditions in the past Canada has willingly entered. May I here and now express the hope that under such conditions in the future Canada again will enter, if need be.

Now why this resolution? Is there some imminent, pressing peril of the day from which we would escape? Has some call come over to Canada to send men again for the empire's need? If the ears of the hon. member for Winnipeg North Centre have caught it, I doubt if those of any other hon. member have heard it. If it be true, and it is true, that Canada to-day decides of her own volition whether or not she will enter into empire wars, if the Mother Country never has demanded, and does not demand to-day, that Canada take part in her wars, if we are under no compulsion to take part therein, then why this resolution? Why the need?

5 p.m. Is it to sever some link, to cast off some bond that binds us to the Mother Country? Is that the purpose? Does the hon. member for Winnipeg North Centre think that by this parliament passing such a resolution, by declaring here and now to the world at large that Canada under no conditions will accept any responsibility for the needs of the empire—does he think that by such a declaration to the world Canada as a nation is going to increase in stature? Does he think that will make Canadians prouder to be Canadians than they are to-day? Why declare that we will not do something which we are not bound to do?

Let me give an illustration. The law does not require any hon. member of this House to give succor in time of stress to his own mother. The law impels no such duty; it imposes no duty upon the hon. member for Winnipeg North Centre or upon any other

member to provide such succor; but will any hon. member increase his stature by one cubit, will any hon. member improve his standing in the community, will he rise in stature as a man, by declaring to the public that he will not be responsible under any conditions for the needs of his own mother? Let us then not do something at this time which will not add to the stature of Canada or of Canadians, but rather will make us walk through the streets of our cities, not with upright head and buoyant step, but ashamed of the fact that we are Canadians, ashamed of the fact that some have thought it necessary to advertise to the world that under no conditions will we be responsible for assistance to the empire—and that at a time when we are enjoying many, many of the benefits of membership in that empire.

While it cannot add to our stature, may it not do harm to pass a resolution such as this? Envisage the passing of this resolution by the elder daughter, so-called, of this British commonwealth of nations. What will the citizens of the empire treading the streets of London say? What will the citizens of the city of Melbourne say? What will the people say in Capetown and India? What will the people throughout Canada say? I say that if we pass this resolution we shall be going out of our way to place ourselves as Canadians in a position which I feel sure few hon. members of this House would care to occupy.

Again I ask, why, then, this resolution? What is behind it? I ask this House, is it a sincere desire on the part of the hon. member for Winnipeg North Centre to help Canada? Is that his purpose? I say no. I say his purpose is simply to gain a little kudos with a certain little coterie of agitators in this country of whom we as Canadians ought to be ashamed. That may be a hard thing to say of a member. I was pleased to learn when I came to this House that the hon. member for Winnipeg North Centre had acquired something of a reputation in this House for sincerity. I call now into question the sincerity of the hon. member.

Mr. WOODSWORTH: Mr. Speaker, I rise to a point of order. My motives in introducing this motion to-day were questioned a moment ago, and now my sincerity is questioned. I think it is not in keeping with the rules of the House that that should be done.

Mr. SPEAKER: Perhaps the hon. gentleman can find another epithet. In this House members are supposed to be honest and sincere.

[Mr. W. W. Kennedy.]

Mr. KENNEDY (Winnipeg): I might say, Mr. Speaker, I chose the softest word I could think of.

Mr. WOODSWORTH: Mr. Speaker, I must ask that that expression be withdrawn.

Mr. KENNEDY (Winnipeg): I will withdraw, upon the ruling of the Chair, the intimation of his lack of sincerity, but I question here and now the motive that lies behind this motion. Perhaps since the question of the sincerity of the hon. member has been raised, I might draw attention to a little incident that occurred in this House not very long ago, on the evening when this House adjourned for recess, and referred to by the hon. member for Winnipeg North Centre a few days ago under the question of privilege. It appeared to me that the hon. member designedly left with this House the impression that he did not rise when the national anthem was being sung, partly by inadvertence and partly because of the particular setting of the background under which the anthem was being sung. That was the impression left with this House.

I endeavoured to ask the hon. member if he would state to this House whether he himself had any personal objection to rising when our national anthem was sung, but he declined to answer. In order that his position on that matter may be perfectly clear to this House, I take this opportunity of saying—and I declare it to be true—that subsequent to his election as a member of this House on the 29th October last, and prior to coming to this House, he with his colleague, the hon. member for North Winnipeg (Mr. Heaps) and I, were invited to attend the banquet of the Manitoba branch of the Canadian Institute of Mining and Metallurgy held in the Royal Alexandra hotel in Winnipeg, the exact date of which is immaterial. On that occasion, when the programme was completely finished, and we were guests, and the toast to the king was called, and that great assembly of banqueters stood up, toasted the king and sang the national anthem, the hon. member for Winnipeg North Centre and his colleague the hon. member for North Winnipeg, who were seated at the same table with myself, sat throughout.

Mr. WOODSWORTH: I must protest that that statement is absolutely untrue.

Some hon. MEMBERS: Order, order.

Mr. HEAPS: I make the same statement as my hon. colleague. On the occasion that the hon. gentleman refers to I, with my hon. colleague, was standing up.

Mr. MEIGHEN: May I point out that the hon. member who is speaking was present and is in as good a position to know as either of the hon. gentlemen, and he does not have to withdraw a word he says.

Mr. SPEAKER: The rules of the House are well known. When a member makes a statement about another member, and that other member denies the statement, the member making the statement must accept the denial, and I hope the hon. gentleman will accept the denial made by the the hon. member for Winnipeg North Centre.

Mr. MEIGHEN: He was there himself.

Mr. SPEAKER: I would ask hon. members to carry on this debate in a calm and dignified manner, and I am sure the hon. member for Winnipeg South Centre, who has impressed this House with his eloquence and ability, will live up to the traditions of the House.

Mr. KENNEDY (Winnipeg): Being a new member, I find the rules somewhat confusing. I am not permitted to say to the hon. member from Winnipeg North Centre that he is insincere, and yet apparently he is permitted to rise and tell me that what I have said is an untruth.

Mr. SPEAKER: I think the statement the hon. member has made is a reflection on the ruling of the Chair. The hon. member for Winnipeg South Centre has made the statement that both the member for Winnipeg North Centre and the member for North Winnipeg at a banquet given in that city did not rise during the singing of the national anthem. Both those hon. gentlemen deny that statement and say it is not a true statement.

Mr. MEIGHEN: I desire to put before you, Mr. Speaker, more fully what I sought to say a minute ago very briefly. I quite realize that if any hon. member in this House makes a statement as to another's conduct, either on the basis of report or on any evidence whatever, save the evidence of his own senses, he must accept the denial of that other member if it comes; but surely the rules of this House do not go to the extent that an hon. member who is present himself, who is just as competent to give a statement of the facts as the hon. member about whom the statement is made, must accept the word of the hon. member against the evidence of his own eyes. He is in just as good a position as the hon. member to state the facts. If the same rule were applied to both, the member for Winnipeg South Centre could call upon the member for Winnipeg North Centre to accept his word. But it does not go to that extent. It merely goes to the extent that he must accept his word as the word of a man of honour when "peculiarly" in a position to know, and that is all.

Mr. SPEAKER: I am not prepared to accept the position so ably put forward and argued by the right hon. leader of the opposition. In a court of law a judge has to decide between the statements of the party on one side and the party on the other. Here I have to follow the traditions and usages of the House and to say that the denial of the hon. member must be accepted. In the present instance we have the further fact of the denial of two members against the statement of one. Surely, as a judge, I must accept the word of the two hon. members. At all events it is a well known rule that when a statement is made and categorically denied by the hon. member of whom it is made the denial must be accepted.

Mr. MEIGHEN: Why not have the other hon. member accept the statement of the hon. member who has the floor? They are both members of this House.

Mr. SPEAKER: The hon. member for Winnipeg South Centre has made the statement that the hon. members for North Winnipeg and Winnipeg North Centre did not rise during the singing of the national anthem at a public banquet in the city of Winnipeg, and the hon. members in question having denied the statement, the hon. member for Winnipeg South Centre is obliged under the rules of the House to accept the denial.

Mr. MEIGHEN: I have not made myself clear. I quite agree that no unworthy motive can be imputed. The hon. member himself knows the motive and nobody else knows it. His word must be accepted as the word of a man of honour. But there has been no imputing of motives in making the statement about the hon. members standing or rising. It is no more incumbent on the member for Winnipeg South Centre to accept the word of the member for North Winnipeg or the word of the member for Winnipeg North Centre than for them to accept the word of the member for Winnipeg South Centre.

Mr. SPEAKER: I think there is no need to discuss this point any longer. I have given my ruling. The hon. member for Winnipeg South Centre states that the two hon. members to whom he has referred did not rise during the singing of the national anthem, but the statement being denied by both of

them the hon. member is bound in honour to accept the denial.

Mr. KENNEDY (Winnipeg): I defer to your ruling Mr. Speaker. Still it puts me in rather a—

Mr. WOODSWORTH: I think—

Some hon. MEMBERS: Order, order.

Mr. SPEAKER: Order.

Mr. WOODSWORTH: I understand your ruling, Mr. Speaker, means the statement must be withdrawn.

Mr. KENNEDY (Winnipeg): I repeat it is true.

Some hon. MEMBERS: Order, order.

Mr. SPEAKER: Order. By the rules of the House the hon. gentleman is bound to withdraw the statement.

Mr. KENNEDY (Winnipeg): I defer to your ruling, Sir, and withdraw whatever statement you desire withdrawn as to the conduct of these hon. gentlemen. I am not permitted to say I saw it.

I was discussing a circumstance which to my mind casts some light upon the motives which might lie behind such a resolution as this. Perhaps I might discuss some others. Shortly after the opening of this House, the hon. member for North Winnipeg saw fit to make some reference to a strike which took place in the city of Winnipeg in 1919. I do not propose to go into it at length, but I will say this that the strike took place at a time following over four years of a great war which stirred this country to its very roots, at a time when our men were returning to their cities, and those who returned to the city of Winnipeg in those days found there a condition of riot, which was, to them at least, a matter of great surprise in a country which they thought was then a country at peace.

Mr. HEAPS: Why did the objection come—

Some hon. MEMBERS: Order.

Mr. SPEAKER: Am I to understand that the hon. member who has the floor allows the hon. member to put the question?

Mr. KENNEDY (Winnipeg): Yes.

Mr. HEAPS: If as stated by the hon. member there was such a condition of peace in the city of Winnipeg at that particular time, why did the objection come from his side of the House to the production of papers concerning the 1919 incident?

[Mr. Speaker.]

Mr. KENNEDY (Winnipeg): I am sure the hon. member for North Winnipeg does not think the papers are under my control.

Mr. HEAPS: The objection certainly came from that side of the House.

Mr. KENNEDY (Winnipeg): While it is quite true that the hon. member for North Winnipeg was clever enough to be acquitted when he was tried following those strikes, he and his confrere, the hon. member for Winnipeg North Centre, were two of the prime movers in that strike.

Mr. WOODSWORTH: I again must absolutely deny the statement which has just been made and I must ask that the statement be withdrawn. Let me say, if I may, whilst the strike was in progress—

Some hon. MEMBERS: Order.

Mr. WOODSWORTH: Am I allowed to make a statement?

Mr. SPEAKER: The hon. gentleman is entitled to explain his question of privilege.

Mr. WOODSWORTH: I might say that I arrived in Winnipeg in the middle of the strike. I did not know when I left my home in Vancouver that the strike had been called. I was not a member of the strike committee. I could not be said to be a prime mover in it and when the government then in power passed legislation which took away—

Mr. MEIGHEN: I rise to a point of order.

Mr. WOODSWORTH: Have I a right to make my statement?

Mr. MEIGHEN: I do not think a member has a right to rise to speak in the middle of an hon. member's speech without permission, especially when there is no ground of privilege.

Mr. SPEAKER: I differ from the right hon. gentleman. I understand there is a question of privilege raised by the hon. member. There seems to be a great deal of excitement over this question of the Winnipeg strike which has nothing to do with the matter under debate. I understand the hon. member rises on a question of privilege because the hon. member who has the floor said that he had been one of the prime movers in the Winnipeg strike. Will the hon. member state his point briefly so that I may direct the hon. member if he has to be directed in the present instance?

Mr. WOODSWORTH: I am attempting to do that. I said that so far from being one of the prime movers in that strike, I did not

arrive in Winnipeg until the strike had been in progress for three weeks; that I was not a member of the strike committee, but after legislation had been passed which deprived—

Mr. MEIGHEN: I rise again to a point of order. Is the hon. member to be allowed to make a reply to a speech under the shield of a question of privilege?

Mr. SPEAKER: No, but the hon. member must be given an opportunity of denying or explaining. I have heard only one part of his statement. I want him to conclude his remarks and then I will rule.

Mr. MEIGHEN: If he is allowed to conclude his remarks, there is no use of rising to a point of order at any time.

Mr. SPEAKER: Does the right hon. member rise to a question of order?

Mr. MEIGHEN: Certainly. The hon. member for Winnipeg South Centre has the floor. He has made a statement as to the hon. member for Winnipeg North Centre. If the hon. member for Winnipeg North Centre says that is a personal allusion within his peculiar knowledge and he denies it, that is his right on a question of privilege, but it is not competent for an hon. member to rise and argue the subject out and say it is a question of privilege. He cannot do that. He is not entitled to argue the matter.

Mr. SPEAKER: I do not share at all the views of the right hon. gentleman. If I were accused of having been the chief mover in a strike, especially the Winnipeg strike, I would consider my personal honour was in question.

Mr. MEIGHEN: Yes and would deny it.

Mr. SPEAKER: I would rise on a question of privilege because the honour of a member is thus impugned. The statement having been made by the hon. member who has the floor, the mover of this resolution rises and he is stating that he was not the chief mover in that strike. I want to let him finish his remarks in order that I may rule exactly. If he is interrupted at any moment, there cannot be any debate. I would ask the hon. member to be as brief as possible.

Mr. WOODSWORTH: I am trying to be brief. As I was saying, I did not arrive in Winnipeg until the strike had been in progress for three weeks. I was never a member of the strike committee nor had I any part in the direction of that strike. When legislation was passed by this House at the instance of the right hon. gentleman, who is now leader of the opposition, which had the effect of depriving a large number of workers, in fact everybody born outside of Canada, the right to trial by jury—

Mr. MEIGHEN: Now I want to make a speech in reply to that.

Mr. WOODSWORTH: I think I have the floor.

Mr. MEIGHEN: I am rising on a question of privilege.

Mr. SPEAKER: Order. The right hon. gentleman is rising on a question of privilege.

Mr. MEIGHEN: The hon. member for Winnipeg North Centre has stated that the government of which I was the head passed legislation which had the effect of depriving a great many people out of work of their right to trial by jury.

Mr. WOODSWORTH: No.

Mr. MEIGHEN: What was it?

Mr. WOODSWORTH: Which had the effect of depriving a large number of workers, in fact everybody born outside of Canada, of the right to trial by jury.

Mr. MEIGHEN: I want now to make a reply to that. In the first place, the legislation to which the hon. member refers was not passed by the government of which I was the head. The hon. member is quite as near the facts in this regard as in any other part of his entire speech. The legislation was passed some time before the government, of which I had the honour to be the head, came into existence. It did not deprive anyone of the right to trial by jury. The legislation referred to was legislation under which those who came from other countries, if they were subject to deportation from Canada under the rules and laws of the Immigration department, were equally subject whether they came from the United Kingdom or elsewhere.

Some hon. MEMBERS: Order.

Mr. SPEAKER: The right hon. member is not speaking just now to a question of privilege.

Mr. MEIGHEN: I yield to your ruling, Mr. Speaker; it is entirely right. I only ask that it be applied to the hon. member (Mr. Woodsworth).

Mr. SPEAKER: May I urge the hon. member for Winnipeg North Centre to be as brief as possible in his statement? He is interrupting the hon. member who has the floor (Mr. Kennedy, Winnipeg) on a question of privilege and such a question should be

stated concisely. If such a practice is not rigidly observed no debate is possible.

Mr. WOODSWORTH: I can easily state my point, Mr. Speaker. I have said that I was not present when the strike began, nor was I responsible either for its initiation or for the conduct of it. I repeat, however, that we had legislation which deprived those born outside of Canada—

Mr. MEIGHEN: I rise again to a question of privilege.

Some hon. MEMBERS: Order.

Mr. WOODSWORTH: Then, Mr. Speaker—

Some hon. MEMBERS: Order.

Mr. MEIGHEN: I have explained a matter with which I was definitely concerned—

Some hon. MEMBERS: Order.

Mr. LAPOINTE: I rise to a point of order.

Mr. SPEAKER: Do I understand that the Minister of Justice (Mr. Lapointe) is raising a point of order in relation to the remarks of the right hon. leader of the opposition (Mr. Meighen)?

Mr. LAPOINTE: Yes.

Mr. MEIGHEN: I have not yet stated the question of privilege to which I have just risen.

Mr. LAPOINTE: I have raised a point of order.

Mr. MEIGHEN: I submit, Mr. Speaker, I have the right to state my question of privilege before the Minister of Justice raises his point of order.

Mr. SPEAKER: I would ask members on both sides of the House not in any way to defeat the rules of the House. I am sure the debate can proceed without undue interruption. I have heard the statement of the hon. member for Winnipeg North Centre with reference to the suggestion that he had been one of the chief movers in the strike of which mention has been made, and I am satisfied from his explanation that he denies having been one of the promoters of that strike. He denies the allegation. Is that correct?

Mr. WOODSWORTH: That is correct, Mr. Speaker.

Mr. SPEAKER: Then the right hon. member who leads the opposition is bound to accept that denial. Let me read the following from Bourinot, who undoubtedly will be readily accepted by hon. members on both sides:

> It has been formally ruled by Speakers in the Canadian Commons that a statement by an hon. member respecting himself and peculiarly within his own knowledge must be accepted, but it is not unparliamentary to temperately criticize statements made by a member as being contrary to the facts; but no imputation of intentional falsehood is permissible.

Mr. MEIGHEN: Hear, hear.

Mr. SPEAKER: Now let the debate proceed.

Mr. KENNEDY (Winnipeg): I bow to your ruling, Mr. Speaker. But since the hon. member for Winnipeg North Centre has seen fit to take up so much time by way of explanation, perhaps he would not be averse to explaining further by answering this question: Was he one of those who assisted in forwarding the strike in question?

Mr. WOODSWORTH: Am I permitted to answer that question?

An hon. MEMBER: Surely.

Mr. WOODSWORTH: May I answer the question, Mr. Speaker?

Mr. SPEAKER: I understand that a question has been asked of the hon. member.

Mr. WOODSWORTH: Well, so far as the question goes, I would say that after that legislation had been passed to which I have referred—

Some hon. MEMBERS: Order.

Mr. WOODSWORTH: —one of the gentlemen concerned, a man of British birth and editor of the newspaper to which reference has been made, was threatened with deportation. Although his arrest had not been legal he was threatened with deportation by the right hon. gentleman who is at present leader of the opposition.

Mr. MEIGHEN: I rise to a question of privilege. This statement, which the hon. member makes by way of excuse from the manly duty of answering a direct question, is wholly wrong and entirely aside from the truth and the facts. I want the hon. member to withdraw it.

Some hon. MEMBERS: Withdraw.

Mr. WOODSWORTH: I would say—

Mr. MEIGHEN. I insist that the hon. member withdraw the statement.

Mr. SPEAKER: The hon. member (Mr. Woodsworth) must accept the denial of the

leader of the opposition, who repudiates in toto the charge just made.

Some hon. MEMBERS: Withdraw.

Mr. WOODSWORTH: May I ask the right hon. gentleman what it is he wishes me to withdraw?

Mr. STEVENS: I beg to submit to you, Mr. Speaker—

Some hon. MEMBERS: Order.

Mr. STEVENS: I submit with deference, Mr. Speaker, that the hon. member for Winnipeg North Centre (Mr. Woodsworth) should withdraw the statement, which is objectionable.

Mr. SPEAKER: I have already asked him to do so.

Mr. STEVENS: He must submit to the ruling of the Chair just as any other member has to do.

Mr. WOODSWORTH: I must ask the Chair to tell me what I am expected to withdraw.

Mr. EDWARDS (Frontenac). You had better withdraw all that you said. That would be the easiest thing to do.

Mr. SPEAKER: The hon. member for Winnipeg North Centre (Mr. Woodsworth) made a statement concerning the leader of the opposition which that right hon. member has denied unqualifiedly. Under the rules that denial must be accepted and the statement withdrawn to which objection has been taken.

Mr. WOODSWORTH: I withdraw the statement until such time as it can be debated on the floor of the House.

Mr. MEIGHEN: The hon. member must withdraw it absolutely. Any delay would be eternal if until the hon. member might prove that statement, for the reason that I was never Minister of Immigration.

Some hon. MEMBERS: Withdraw.

Mr. SPEAKER: The hon. member must withdraw the statement without qualification.

Mr. WOODSWORTH: I withdraw it, Mr. Speaker. Now am I permitted to say—

Mr. SPEAKER: The hon. member may state his case as briefly as he can.

Mr. WOODSWORTH: All I want to say is this: After the editor of the paper had been arrested and, as I have said, although he was British-born, threatened with deportation, I acted as editor for one week out of the six weeks of the trial. There was brought against me a charge with which the crown could not proceed when the matter came before the courts. That is the connection I had with the Winnipeg strike.

Mr. KENNEDY (Winnipeg): Mr. Speaker, I wish now to refer to something that was said by the hon. member for Winnipeg North (Mr. Heaps) shortly after this House opened. When the question—

An hon. MEMBER: Will the hon. gentleman permit a question?

Some hon. MEMBERS: Give him a chance, sit down.

Mr. SPEAKER: Order.

Mr. HEAPS: Mr. Speaker, I rise to a point of order.

Mr. SPEAKER: There cannot be a point of order, no statement having yet been made concerning the hon. gentleman.

Some hon. MEMBERS: Sit down.

Mr. SPEAKER: I must ask members on both sides of the House to comply with the rules and not make these frequent interruptions. I must also ask the hon. member who now has the floor to confine himself to the subject matter of the resolution. The Winnipeg strike has nothing whatever to do with that resolution. The resolution before the House is:

> That, in the opinion of the House, Canada should refuse to accept any responsibility for complications arising from the foreign policy of the United Kingdom.

Will the hon. member please confine himself to this resolution?

Mr. KENNEDY (Winnipeg): Mr. Speaker, I was endeavouring to direct the attention of the House to certain incidents which, in my opinion, throw some light upon the reasons underlying such a resolution as this. I now refer to what the hon. member for North Winnipeg stated in the early days of this session when we were discussing the question of breaking precedents derived from British parliamentary traditions. His words were to this effect: he never heard of a precedent being broken but it gave him pleasure. Now, I ask this House to go behind the statement to the mind that prompted it. I think only one conclusion can be reached—that when a member in this House, which goes to the mother of parliaments for its inspiration and for its rules and traditions, makes such a statement, and supports this resolution, if he does support it, his motive can be easily divined.

Mr. HEAPS: May I rise to a point of order now, Mr. Speaker? May I tell the hon. gentleman that I have not yet seconded the resolution? I have not yet stated my views, and until he knows what stand I take, I submit, Mr. Speaker, that he has no right to indulge in prophecy.

Mr. LAPOINTE: I think the point is well taken.

Mr. KENNEDY (Winnipeg): Mr. Speaker, I did not say that the hon. gentleman had stated what his views were on this resolution, but I am indulging in a little forecasting, and I think I can do so pretty correctly. It is not the first time that prophecies have been uttered in this House. Now, you will find not only the mover of this resolution naturally behind it, but unless I mistake very much the mentality of the member for North Winnipeg, and the man as I know him, he too will be found behind the resolution.

Mr. WOODSWORTH: I may say that the entire Labour party is behind it.

Some hon. MEMBERS: Sit down.

Mr. SPEAKER: Order.

Mr. KENNEDY (Winnipeg): I charge that behind this resolution there is the purpose to stir up in this country dissension and discord. Further, I say that it is not policies for the upbuilding of this country, policies that tend to the unification of all classes in the Dominion behind which we find the hon. member for North Winnipeg or the hon. member for Winnipeg North Centre. Rather are they to be found behind those policies that provoke dissension, discord, agitation and discontent. Discord and dissension are the meat and drink upon which they batten. While these hon. members express great concern for the labouring men throughout Canada, it appears to me that in matters of vital interest to labour they are more concerned with keeping alive discontent and dissension that in helping to solve the real problems of sane labour.

The hon. member in speaking to his resolution referred to himself as, "one of us labour men." If he and his colleague from North Winnipeg are to be deemed the friends of labour in this country, I say, God save labour from its friends.

Let me say again that the views expressed by the mover of the resolution are not the views of the citizens of Winnipeg at large, they are not the views of western Canadians at large, and I feel sure they are not the views of eastern Canadians at large. This resolution is but the fruition of certain lines of agitation that have been sedulously fostered by such men as the hon. member for Winnipeg North Centre through papers of the kind he has already referred to; I charge that on every occasion possible he takes the opportunity, not of endeavouring to solve the problem of labour, but of stirring up agitation. I say to hon. members on both sides that he owes his seat in this House, as does the hon. member for North Winnipeg, simply to the fruits of such agitation.

Now, Sir, I close with one reference. I would draw the attention of the House to the majority of three by which this government was sustained on the first vote in this parliament,—the most vital vote so far. This government was saved by a majority of three. A change of two would have been sufficient to vote it out. I ask the government to consider that they are maintained in office by virtue of a pledge given in writing to the hon. members to whom I have been referring, the hon. members for Winnipeg North Centre and North Winnipeg. I ask them to consider the fact that they are retained in office—

Some hon. MEMBERS: Order.

Mr. KENNEDY (Winnipeg): — by these two hon. gentlemen.

Mr. LAPOINTE: This is not relevant, Mr. Speaker.

Some hon. MEMBERS: Order.

Mr. LAPOINTE: I rise to a point of order.

Some hon. MEMBERS: Sit down.

Mr. SPEAKER: Order.

Mr. EDWARDS (Frontenac): They don't like the truth.

Mr. LAPOINTE: Can you keep silent! Mr. Speaker, the hon. member for Winnipeg South Centre has made a speech, three-fourths of which was absolutely irrelevant; and his reference to the motion which was voted at the beginning of the session is equally irrelevant to the subject of debate. That is my point of order, Sir.

Mr. SPEAKER: I would call the attention of hon. gentlemen to the fact that the House should deal with the resolution brought forward this afternoon. All these personalities have nothing whatever to do with the question under discussion, and I believe the people of this country expect much from this debate. I would request hon. members to speak to the resolution.

Mr. KENNEDY (Winnipeg): Mr. Speaker, the hon. member who moved this resolution

suggested that perhaps it should be passed in order that the position of Canada, particularly as affecting the United States of America, should be made clear. It occurs to me that we do not need a resolution such as this to make clear to the United States the position of Canada within the empire. I daresay the informed people of the United States are as well aware of our position as is the hon. member for Winnipeg North Centre. I might also suggest that in my opinion admiration for that position is widespread throughout the neighbouring republic. I do not think, therefore, that a resolution such as this can do anything towards clearing the air, either for the United States or for any other nation of the world.

Let me say this in closing. The hon. member asks where Canada stands, and suggests that our position within the empire should be clarified. I would simply say that so far as Canada's position within the empire is concerned, there is no doubt. As to what action she shall take respecting any future war, we may well abide the arrival of that day. Our position in relation to the empire to-day is that of a nation within a commonwealth of nations, and one of the senior members of that partnership. As in the past, so in the future, Canada will, I trust, be prepared, so long as she shares that distinction and that honour, to accept her full responsibility and whatever obligation her position entails.

Mr. HENRI BOURASSA (Labelle): Mr. Speaker, I do not quite agree with the hon. member who has just taken his seat (Mr. Kennedy), if he thinks that the question raised by the hon. member for Winnipeg North Centre (Mr. Woodsworth) can be disposed of in such an easy manner, nor do I think that the people of Canada or the other portions of the empire would be much enlightened by the connection he has tried to draw between the constitutional position of Canada in the empire and the part played in the Winnipeg strike by the two Labour members. Neither do I believe that it will advance anyone, any party or any country to attempt to minimize the importance of an issue of this nature by impugning the motives of anyone connected with it. I am prepared, for my part, to listen with much patience to the most ardent imperialistic argument that can be presented on an issue of this nature; and I suppose there is an equal desire on the part of sincere imperialists to listen to those Canadian and British subjects who take an opposite view. It seems to me that if we are to develop in this House and outside of this House something of what was called the spirit of Locarno—I hope it is still alive—it will not be done by stifling any expression of opinion on any aspect of this huge problem of imperial connection.

Now, Sir, to come at this time and say that we should wait for the next war to deal with the matter is, I think, entirely unworthy of our responsibility to the people of Canada and unworthy also of the connections which we have with Great Britain—connections which, for my part, I desire to preserve as long as possible and to make useful to Canada, to Great Britain, to the other portions of the empire, and to the world. Men just as devoted to the British Empire as the hon. member who has just taken his seat have judged that this is the time to discuss in a broad way the question of imperial relations. In Great Britain, in South Africa, in Australia and in New Zealand, men of all varieties and belonging to all shades of opinion, from the highest imperialist to the most radical anti-imperialist, have discussed these issues ever since the close of the war. They were considered at imperial conferences; they have been debated in the various parliaments of the empire; valuable articles have appeared in British reviews and in foreign publications. A very short time after the war—in fact, I should say when the war was still on—one of the most enlightened British imperialists, one of those devoted, sincere imperialists who have given much thought to this question, Mr. Lionel Curtis, went all around the British Empire, including Canada. He came in contact with men of various shades of opinion; he insistently spoke and wrote on the necessity, for the people of Canada as well as those in the other portions of the empire, of preparing, immediately after the war, to take up these issues of political and constitutional relations with Great Britain. Why should we not look upon these questions from that point of view, whether or not the wording of the motion is exactly that to respond to the needs? That is a very limited aspect of the question after all. Can we not at this time take one day to look seriously at these problems?

As this is a very broad subject, Mr. Speaker, may I ask you to now call it six o'clock, so that after dinner, and after the appeasement of the little squabbles we have had this afternoon, we may consider this question in a serious and, I hope, a broadminded spirit.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. BOURASSA: Mr. Speaker,—

Sir GEORGE PERLEY: With the hon. gentleman's permission, I should like to ask him a question. Before we rose at six o'clock he used the words "ardent imperialist." If he is going to discuss this question, I would like very much if he would tell us exactly what he means by the word "imperialist" in that sense.

Mr. BOURASSA: My excellent friend and neighbour who represents the county of Argenteuil (Sir George Perley) puts me a very simple question, but a very hard one to answer. I think it was Pascal who said that to properly define was a divine prerogative, that the man never lived who could give a proper definition. I am an ordinary man and, besides, I am very British in my concept of political things, and therefore not much given to cut-and-dried definitions. I think my hon. friend will easily find out from the observations that I am going to make what I mean by imperialist in the British sense. I may simply say at the start, in order to please my friend, for whom I have a great deal of personal friendship, that by imperialist or ardent imperialist—I do not care much for the "ardent"—I mean a man who believes that the British association of nations should be conducted primarily from London, by the influence of London, for the advantage of the United Kingdom, in the same sense, for example, that the Roman empire was governed for the benefit of Rome, in the same sense also in which the word was used some twenty-five years ago by Mr. Joseph Chamberlain, who was the great prophet of modern British imperialism.

Let us come back now to the question raised by the hon. member for Winnipeg North Centre and to what I might call the interruption of the hon. member for Winnipeg South Centre (Mr. Kennedy), with regard to the importance of discussing the problem of inter-imperial relations now. While this somewhat marginal debate, if it can be called debate, was being carried on just before six o'clock, I was thinking of an observation made in the midst of the war by an English statesman, one of the most sensible, thoughtful, and practical men who governed the United Kingdom, and indirectly the British Empire, during the war, though not perhaps the most brilliant; I refer to the late Mr. Bonar Law. Even before the war was finished, when England with the other nations of Europe was in the thick of the struggle for victory, Mr. Bonar Law gave this warning:

> After this war the relations between the great dominions and the Mother Country can never be the same again.

This he wrote in December, 1915, in his preface to Sir Max Aitken's book, Canada in Flanders. Evidently this was not a casual thought, because a few months later, in September, 1916, speaking in London at a luncheon offered to Sir Edward Morris, Prime Minister of Newfoundland, Mr. Bonar Law, still Secretary of State for the Colonies, developed the same idea. He said:

> So far as the dominions are concerned, this war is being carried on under conditions which never existed in the world before, and which it is almost incredible to believe could have existed now. These great dominions are, in fact, independent states.

I recommend this definition to Canadians who are apt to get into a flurry every time the suggestion of autonomy or independence is made, contrary to so-called expressions of faith in solidarity between the various portions of the empire. Bonar Law proceeded:

> We could not have compelled a single one of them to send a man or contribute a penny. But they have sent their best, not so much to help us as to help the empire of which they are a part. These conditions can never occur again. It requires great good-will and good sense on the part of both the dominions and the authorities at home to enable the arrangement to work by which one set of men contribute lives and treasure and yet have no voice as to the way in which those lives and treasure are expended. That cannot continue. There must be a change.

These were not the words of a rabid revolutionist, with sinister motives, looking to a radical and sudden change in the relations between the Motherland and the self-governing dominions. No, it was the thoughtful word of a man closely connected with the affairs of the United Kingdom, of which he had become a distinguished citizen and statesman, and with the great Dominion of Canada in which he was born. With a sense of British citizenship, he had kept more than a mere trace of pride in the Dominion. He thought, as Mr. Joseph Chamberlain thought, that the dominions would not consent to continue to supply the men and treasure—willingly if you like—but at least to supply the means of war to be put practically at the disposal of a government responsible to only one of the parliaments of the British Empire, that parliament itself being responsible only to one section of the free electorate of the British Empire. Mr. Bonar Law had kept enough faith in the pride of British citizenship all round, not to believe that the free people of Canada, of Australia, Newfoundland, South

Africa or New Zealand, would go on spending money and giving their blood for imperial causes, unless they had a voice and a real voice in the government of that empire and the framing of its policy. Perhaps he was wrong, but I do not think so, especially if one remembers that after all, those great problems of external policy, that control of foreign affairs which results occasionally in war, which manifests itself in diplomatic relations with various countries, has a direct or indirect bearing upon all internal policies. On this point, no student of British affairs, I think, has put it more clearly before the free peoples of the British Empire than the thoughtful writer whose name I mentioned this afternoon, Mr. Lionel Curtis. In 1916 he issued his first volume on the Problem of the Commonwealth, and in this volume I find these lines:

> In matters of peace and war, the first, greatest and most comprehensive of all public interests, South Africans are subject, in fact as well as in law to a government which exists, not in Pretoria nor in Cape Town, but in London. And so it is with Canada, Australia, and New Zealand. It is in London and not at Ottawa, Melbourne or Wellington that their ultimate destiny is made or marred. . . . . They may manage their own domestic affairs, regulate their commerce, create forces by land and sea, and do anything they please short of attempting to handle for themselves the ultimate issues of national life and death. Those issues, the moment they are raised, must be left to a government in which they have no more voice than the peoples of India, Egypt, or of Fiji. So far as the first, last and greatest of all national interests is concerned they are not self-governing dominions. They are simply dependencies, and no thinking man can face this conclusion and yet believe that communities like Canada and Australia can long continue to accept that position.

Now I ask how a question of such momentous importance, involving such far-reaching developments, can be settled with a striving for small party advantage, or by gibes of such a nature as we have heard this afternoon? I do not want to insist upon it, but I claim that we should give more thought, deep and intensive thought, to a problem of that nature and look at it from a point of view, I will not say entirely divergent from party interests—I quite well realize the exigencies of the party system—but I think we can for a moment put a stop to the narrowness of party spirit and think of these questions from the broad Canadian point of view, with the ultimate intention of coming to an agreement with Britain and the other dominions of the empire which would give satisfaction to all and advantage to the whole community.

But with regard to the effect of such a policy, or should I say lack of policy, upon internal matters, Mr. Curtis goes more deeply into the subject, and he appeals especially to the self-governing dominions on this ground. He says:

> On paper their autonomy in local affairs remained as before, "absolute, unfettered and complete."

These words were borrowed from Mr. Asquith's speech at the Imperial conference in 1911—

> But in practice those affairs were all profoundly modified by the exigencies of war. Schemes of development were cancelled, projects of social reform were suspended, and the people of the dominions suddenly discovered that the issues of peace and war are an interest which overmasters all others. They have found that until they control that interest their control of all others is purely provisional.

Now we are getting at the root of the question. It is the whole problem of conciliating the powers of self-government of each individual state in the British Empire and the common interests which all British communities have to conserve by conciliation and by understanding. It seems to me a problem well worthy of study and consideration in peace time, rather than in war time, when the voice of blood, the exigencies of national defence, or, if you like, the exigencies of imperial solidarity, stifle all other considerations. I think this is the proper time, when the empire is at peace and before the next Imperial conference, that the parliament of Canada should go into this problem with serious thought, with a full degree of self-consciousness of what is due to itself, its people and its future generations, of what is due also to those other communities composing the British Empire, so that we may all give to the world at large a striking example of the combination that can be made between principles of liberty and principles of unity.

No doubt the Great war, with the sacrifices it entailed to the various British communities, brought about a tremendous change in the relations between Great Britain and the self-governing possessions of the empire and also the great empire of India. But with due respect to those who have emphasized that change, may I suggest, as I have done on many previous occasions, that the change after all was not so extraordinary or unexpected as is generally considered now on account of the facts that underlie the change? To my mind, in this respect as in all other respects, the evolution that has taken place in the frame, the government and the life of the British Empire is the continuance of that extraordinary process, unique in the history of the world, which makes of British institutions a standard lesson, I will not say always to be copied, but certainly always to be studied with fruit and advantage by all, always to be admired

and always to be considered. Therefore, it seems to me that instead of stopping at this or at that other point in the evolution of the relations between Great Britain and the various dominions, we should ask ourselves simply in what manner we should follow up that evolution and bring it to the best result possible for Canada first, because this is the part of the empire for which we have responsibility, and also for the advantage of the rest of the British dominions and the world at large.

If the House will bear with me with some patience, I would like my hon. colleagues to have a little look backwards into the history of our relations with the Motherland, in order to exemplify just what I have stated, namely, that we are always in the process of evolution; that there is no stopping point in the growth of our nationality, in the development of our affairs, external or internal.

From the time of the conquest of Canada by England until, let us say the midst of the last century, there was practically, so far as our outside relations are concerned, but one policy and it was that Canada had no responsibility in foreign affairs. The success of the American revolution had taught the rulers of England the timely lesson that a government acting in London and responsible to a parliament sitting at Westminster, had no moral right to impose taxation upon outstanding British colonies established by free British settlers who had made the sacrifices entailed in the quitting of their native land and the establishment of new colonies because they wanted to live their social life as they thought fit.

Even before the conclusion of the American revolution, the British government and the Imperial parliament had declared themselves incapable morally of taxing the colonies for imperial purposes. As regards British North America, divided as it was then into the various colonies of New Brunswick, Nova Scotia, Canada, first separated and then united, the policy pursued was "no responsibility, no taxation." But with the granting of self-government to those various colonies arose the problem of their defence. The consideration of the problem was precipitated by the Crimean war. If hon. gentlemen take the time and trouble to peruse some of the old books, they will find there some very interesting documents, despatches exchanged between the Colonial office and the various governors of those colonies as well as memoranda by the governments of those provinces to the home government. Perhaps I may quote one of them, a despatch from Lord Elgin, whom Sir Robert Borden very properly qualified not long ago as the first governor who really understood the mechanism of responsible government in Canada. This despatch, which is dated December 18, 1854. contains this paragraph:

> Although I hold that so long as the colonies have no voice in the imperial councils they are entitled to look to the imperial authorities for protection against hostilities which they have no share in provoking, and that it is therefore fitting that imperial garrisons should be maintained at certain important military stations such as Quebec, as a pledge that this protection, when the contingency occurs, will not be invoked in vain, I am confident that nothing will more effectually tend to the security of the empire, or to the establishment of a high standard of national and manly morals among the colonists, than the assumption by themselves of some portion of the responsibility in respect of self-defence and the preservation of internal tranquility, which has heretofore been cast upon the Mother Country.

The whole despatch is to be found in the Accounts and Papers of 1854-55, volume 36, pages 19 to 43. As a result, the following year the MacNab-Taché government brought in a militia bill based upon that principle, containing, of course, the reservation which had been put into every militia bill from 1777 down to that date, namely, that the militia of Canada was organized for the sole purpose of defending the soil of Canada and that the militia could not be sent outside of the territory of Canada except on "conterminous" territory, for the defence thereof. In those days they were clear on that point. The British in London as well as Canadians in Quebec and Toronto were under no misapprehension as to the fact that obligations were limited by responsibility, and that the people of Canada, having no say in imperial affairs, had no other obligation than to defend their own territory. The bill met with some opposition, which it would be interesting to read; but I will not weary the House with quotations from that ancient day. Then came the Secession war, accompanied by certain acts on the part of the British government, which I do not consider it necessary now to qualify. There was the "Trent" affair, and there was the "Alabama" incident, which threatened war between Great Britain and the United States. The British government was insistent in the demand that the colonial government should reorganize the defence of the country, and the Cartier-Macdonald government consented to recast the militia law. This time, however, there was a good deal of opposition in the House,—opposition that came mainly from English-speaking Canadians, from the representatives of Upper Canada. I will quote at the moment only one of the opinions manifested in the House at that time against the idea of

increasing the military responsibility of Canada. Colonel Rankin, an undoubted loyalist, who had fought in the British army and in the colonial forces during the '37 Rebellion, spoke as follows:

If war overtakes us, it can only be caused by some question of imperial policy. We, as a province, have not the war-making power; no armed collision can take place between Canada and the United States founded upon any dispute between the government of the United States and our provincial government, though we are liable at any time to have our country over-run and devastated from end to end by the armed hosts of our powerful neighbour, in consequence of some such cause as that afforded by the outrage upon the Trent. If war had grown out of that unfortunate affair, we the people of Canada, regardless of all selfish considerations, and animated by sentiments of generous devotion to that flag which is the emblem of so many glorious recollections, would have rushed to arms as one man in the cause of England's honour; but, Mr. Speaker, if war had taken place, we Canadians, after that war was ended, and every town and village in our country had been reduced to ashes, or levelled with the ground, would doubtless have been "thanked" for our "loyalty" and then permitted to rebuild our homes and repair our ruined fortunes as best we might, consoled by the reflection, that though we had borne the brunt of a war growing out of a question in no way affecting our material interests, and in the prosecution of which the blood and the lives of our countrymen had been freely offered up, we had conquered the right still to call ourselves British subjects. Mr. Speaker, I claim to be behind no man in point of attachment to British institutions and "real" loyalty to the crown, but, Sir, loyalty is one thing, and "servility" is another, and in this country, I regret to say, the latter quality is sometimes mistaken for the former.

So pronounced was the opposition that the Cartier-Macdonald government was defeated on that bill. A new administration was formed under the direction of the Hon. John Sanfield Macdonald, another sturdy citizen of Upper Canada. A very interesting correspondence followed between the new Canadian government and the Colonial office, then directed by a distinguished Englishman, the Duke of Newcastle. I would suggest respectfully that hon. members refer to this correspondence. It is one of the most illuminating, one of the most comprehensive records which are to be found in our archives with regard to this question of the relations between Great Britain and the self-governing dominions. The Duke of Newcastle wanted the legislature of United Canada to put this military question beyond the reach of any possible accident of parliamentary or electoral caprice; in other words, to create a sort of military Fascism—a word which, of course, would be an anachronism at that time —on the margin of responsible government. But the government of Canada, perhaps because at that time the people of Canada, English-speaking and French-speaking alike, were nearer to the struggle and fight for the conquest of their rights as British subjects, was unmistakable in its expression of opinion, and gave the noble duke to understand that Canadians, as Colonel Rankin had put it, while loyal to the king were primarily loyal to themselves, to their country and to their rights as British subjects and were not going to deprive the parliament of the province of those prerogatives which the parliament of England had asserted for seven centuries against encroachments either from crown, from oligarchy, from aristocracy or from popular factions. And they gained their point. But not only did they gain the point; they gained also the respect of British statesmen. The hon. member (Mr. Kennedy, Winnipeg) who spoke this afternoon mentioned, I believe, something about measurements in the eyes of other British communities. If I have read my British and my Canadian history with some degree of light and comprehension, I have come to this conclusion, that every time we have asserted an equality of rights with the British at home, we have thereby grown in their eyes and gained increasing respect from them, inasmuch as we have proven to them, by so asserting ourselves, that we are worthy sons of the father and that we are not to be subjected to any dictation, whether by force, by corruption or by any other means that may be taken to induce a free British community to renounce its birthright, either in fact or in principle.

Very soon afterwards the delegates from the various provinces met together at Charlottetown to discuss the terms of confederation, meeting subsequently at Quebec and finally adopting the resolutions out of which confederation and its constitution were born. With regard to our relations with Great Britain, I fear that a good many readers and students, and even professors of constitutional law, have forgotten that those relations were not written down in black and white in our constitution. That constitution was the instrument of government for the internal affairs of Canada. It was the putting into an imperial statute of the terms of the contract or solemn treaty consented to by the various provinces of Canada to become one confederacy.

But the terms upon which that new-born nation would stand with regard to the Motherland were not, thank heaven, reduced to so many articles of law; there was enough British spirit on the other side of the ocean to prevent those broad terms of alliance between the mother state and the daughter, coming of age, from being circumscribed within the terms of a few articles of law, to be made subjects of dispute between lawyers and to be adjudicated by irresponsible tribunals. The terms upon which Great Britain and Canada were to stand in those predominant questions

of peace and war were discussed freely in conversation—and in writing also, fortunately—and they are preserved in the archives of this parliament as well as in the archives of the Colonial office in London. Anybody who will take the trouble of doing so will find there in what spirit the Fathers of Confederation made their solemn agreement with the government of England with regard to Canada's contribution to defence and to matters of foreign policy. The exchange of thought was very free, very outspoken. Nobody then was afraid to speak of Canadian rights as separate from British rights. They had sense enough to understand that Canada, a country in America, has some interests different from those of England, a country in Europe; and they acted accordingly. In the report which was signed on July 12—

An hon. MEMBER: A bad date!

Mr. BOURASSA: Oh, no, not then; on July 12, 1865.

Mr. EDWARDS (Frontenac): I hope the report was equal to the day.

Mr. BOURASSA: Oh, yes, the report was superior to the day, and far superior to such reports as we usually get now of that day. It was signed by such puny Canadians as John A. Macdonald, George Etienne Cartier, George Brown and A. T. Galt.

Mr. EDWARDS (Frontenac): The first of those is a good twelfth of July man.

Mr. BOURASSA: Yes, but they understood the twelfth of July in a rather different manner and in rather different colours than the hon. gentleman. In those days the Orange order was under the authority of the government of Canada and of the Conservative party; now the Conservative party seems to be under the authority of the Orange order.

Mr. EDWARDS (Frontenac): We are making progress all the time.

Mr. BOURASSA: Surely; the hon. gentleman should take this as a compliment; it shows he is the power behind the throne and above the throne.

Mr. EDWARDS (Frontenac): The only difficulty I have is in appreciating the hon. gentleman as an authority. I am rather doubtful of his opinion.

Mr. BOURASSA: I quite admit that I am not an authority on orangeism.

Mr. SPEAKER: Order. I assume that the hon. member who has the floor is not objecting to these interruptions.

[Mr. Bourassa.]

Mr. BOURASSA: In that report the delegates of Canada related on what terms and basis they had presented the question of defence to the imperial authorities:

On the part of Canada we expressed the desire that this plan for the defence of all parts of the province should be taken as the basis of arrangement, and that a full and candid discussion should be had as to the share of the cost that ought to be borne respectively by the imperial and provincial exchequers. We expressed the earnest wish of the people of Canada to perpetuate the happy existing connection with Great Britain, and their entire willingness to contribute to the defence of the empire their full quota, according to their ability, of men and money. But we pointed out that if war should ever unhappily arise between England and the United States, it could only be an imperial war on imperial grounds—that our country alone would be exposed to the horrors of invasion—and that our exposed position, far from entailing on us unusual burdens, should on the contrary secure for us the special and generous consideration of the imperial government.

And further on:

We pointed out that, while fully recognizing the necessity and prepared to provide for such a system of defence as would restore confidence in our future at home and abroad, the best ultimate defence for British America was to be found in the increase of her population as rapidly as possible, and the husbanding of our resources to that end; and, without claiming it as a right, we ventured to suggest that by enabling us to throw open the northwestern territories to free settlement, and by aiding us in enlarging our canals and prosecuting internal productive works, and by promoting an extensive plan of emigration from Europe into the unsettled portions of our domain—permanent security would be more quickly and surely and economically secured than by any other means. We did not fail to point out how this might be done without cost or risk to the British exchequer, and how greatly it would lighten the new burden of defence prepared to be assumed at a moment of depression by the people of Canada.

Now, this was fully understood at home, and Mr. Edward Cardwell, Colonial Secretary, in a despatch to Lord Monck on the terms of the agreement, reiterated practically what the Canadian delegates had told him. He said:

On the last point—

The point of defence.

—it seemed sufficient that Her Majesty's government should accept the assurances given by the Canadian ministers on the part of Canada that that province is ready to devote all her resources both in men and money to the maintenance of the confederation of the provinces. To this we, on the part of Her Majesty's imperial government, fully acknowledge the reciprocal obligation of defending every portion of the empire with all the resources at its command.

Some twenty-two years later, at the first Imperial conference convened in London, the delegate of the Canadian government, Sir Alexander Campbell, one of the Fathers of Confederation, one of the most thoughtful leaders of the Conservative party—the good old Conservative party—who afterwards, if

I am not mistaken, was Minister of Justice in the government of Canada and later Lieutenant Governor of Ontario—

Mr. EDWARDS (Frontenac): Would the hon. gentleman in referring to the Conservative party leave out the word, "old" and bring it more down to date?

Mr. BOURASSA: Of course, I suppose the hon. gentleman allows me the freedom of making a distinction between the Conservatives of sixty years ago and those of to-day, unless he is specially desirous of being classified with the fossils of his party? I am not quite sure.

Mr. EDWARDS (Frontenac): No, I am not quite that old yet.

Mr. BOURASSA: Well, I am speaking of the old Conservative party, which was a very respectable national party. I am not qualifying at all the present Conservative party; I leave that to my hon. friend.

Mr. EDWARDS (Frontenac): I was anxious to have my hon. friend's opinion brought down to date.

Mr. BOURASSA: Well, no; it is nicer to talk of the past than of the present.

Mr. EDWARDS (Frontenac): Yes, that is right.

Mr. BOURASSA: I want to keep as peaceful an atmosphere as possible in this debate. It started in strife; I hope it will finish in amity.

At that Imperial conference, where for the first time in a gathering of that nature the question of interdependence between the Motherland and the various dominions was discussed, Sir Alexander Campbell summed up all that had passed between the home government and the Dominion government; and when it came to the point of the 1865 agreement he said.

> The imperial government had previously given us notice of their intention to withdraw from the colony Her Majesty's troops, and they declared their resolution to carry that out. The government here agreed to undertake the naval defence of Canada, the Canadian authorities undertaking the land defence of the colony. Upon that basis the confederation of all the provinces was formed, viz: that Her Majesty's troops would be withdrawn (the withdrawal was then in course of being carried out), and that the local authority were only to undertake the land defences.

So, Sir, when during the Great war, and previously during the discussion carried on in the province of Quebec against the proposed policy of the Liberal government to build up a so-called Canadian navy and the policy of the Conservative government later to contribute to the British navy; when we said that these proposals were going beyond the solemn agreement entered into between the British government and the government of Canada, we stood by the letter of the agreement and the spirit of the "solemn contract", as Sir John A. Macdonald called it, which was concluded between the two governments. That was exemplified in fact very early. Confederation had hardly taken place when our frontiers were attacked and sometimes transgressed upon by Fenian raids from the United States. The Canadian government stood true to its engagements; Canadian volunteers were sent to various points on the frontier, and Canadian territory was defended by Canadian soldiers. But after the troubles were over, Macdonald, Cartier and Campbell did not forget that before defending the British Empire they had the duty of standing by Canada's rights. Sir Alexander Campbell went to London to claim from the British government compensation for the moneys spent and the blood shed on the frontiers of Canada. As Sir Alexander Campbell stated then, "We have been true to our engagement, but if we have spent money and blood in the defence of frontiers it is on account of your policy, right or wrong. We are not passing judgment upon your Irish policy, but we have suffered thereby and we claim compensation". They did not beg for it, but claimed it as a matter of right. It is true that compensation was not obtained; but there again it was put in black and white that these relations between the home government and the colonial government, so far as peace and war were concerned, were to be determined on every occasion by the degree of responsibility exercised by either government; that when the Canadian people were called upon to spend money and to shed blood, even in defence of their own territory but in consequence of British policy, the British people at home should pay for it. You are free to say to-day whether those men who made confederation, who brought peace between England and Canada, who raised the Canadian people in the eyes of the people of the British Isles to a higher degree than they had before attained—whether they were disloyal and traitors to the crown, but we who chose to stand by their ideals and their conception of social and political justice should be free to say so.

Mr. EDWARDS (Frontenac): Would the hon. gentleman permit a question?

Mr. BOURASSA: Certainly.

Mr. EDWARDS (Frontenac): Did the Canadian authorities referred to by my hon. friend specify the acts on the part of the British government which led to the Fenian raids?

Mr. BOURASSA: Oh, yes.

Mr. EDWARDS (Frontenac): Would you mind giving those specified acts?

Mr. BOURASSA: Yes. I suppose my hon. friend is prepared to take the responsibility if he contributes to the length of my remarks?

Mr. EDWARDS (Frontenac): To be perfectly frank, I do not think it will make any difference what part I take.

Sir EUGENE FISET: That remark seems very kind, after your question.

Mr. EDWARDS: (Frontenac): What is wrong with it?

Mr. BOURASSA: I will try to find what my hon. friend wants. I have here a report from Sir Alexander Campbell to Sir John Young, Governor General of Canada, which will be found in the sessional papers of 1871, number 12, page 41, and also number 46, page 26. Really, if I could induce several hon. members of this House to read these papers, they would find them very interesting. These men took the time to write their reports, and they make splendid reading. I suppose they were not so busy with patronage or disputing power as they are now. The report contains these words:

> We thought a very strong case might be made out for a demand for indemnity from the United States.

Sir Alexander Campbell wanted the British government to demand an indemnity from the United States in favour of Canada, on account of the Fenian raids.

> Messrs. Cartier and Macdonald had asked that such a demand should be made with reference to the loss sustained in 1866, and we considered that we were entitled to ask for indemnity in reference to all the expenditure that had been since caused to us by the Fenians. Failing the obtaining of such an indemnity from the United States, we thought the empire should join Canada in meeting the losses: the Fenian difficulties were not of our creating, but grew out of real or imaginary wrongs that the empire had in the past inflicted on Ireland, and we were fighting battles which were not ours but those of the empire. We were quite ready as a portion of the empire to bear our share of these or any other troubles in which the country might be involved, but it was not fair that we should be allowed to suffer alone all the losses and consequences of the imperial acts or policy which were complained of, and I strongly urged that for the past and the future, should any further Fenian troubles arise, the empire, as a whole, should bear the burden of resisting such attacks, and that Canada should only contribute as a portion of the empire.

I need not remind the House, Sir, that that demand or request was not countenanced. I am not prepared to say that the British government were wrong. Looking at it after these years I think it was wisdom on the part of the British government; I think it was deep instinct of government rather than reason or logic which made the British statesmen of those days understand that after all each portion of the empire must suffer the consequences of its own situation and of its connection with the empire, provided it would not be called upon to suffer the consequences to be endured in some other part of the empire on another continent, as we will see later. I think the Canadian statesmen understood it the same way. At least, they did not insist upon their claim. But when some fifteen years later the Soudanese war broke upon Great Britain, after the disaster at Khartum and the slaughter of "Chinese" Gordon, frantic appeals were made by certain Canadian officers to the Canadian government to raise troops for the defence of the empire in the Soudan. But Sir John A. Macdonald, leader of the Conservative party and of the Canadian government, faithful to the principles laid down in 1865 and maintained in 1871, refused his co-operation to the British government in the enlistment of troops. Nobody was scandalized, nobody raised the cry against him that he was disloyal to the empire. No, everybody understood that he was doing his duty to Canada, and in doing his duty to Canada he was thereby helping to maintain those relations which had been established and maintained between the two countries for thirty years—the safest manner, in the long run, of maintaining those relations.

9 p.m.

Mr. EDWARDS (Frontenac): Did the British government make formal request to Canada on that occasion for troops?

Mr. BOURASSA: I am not speaking of that.

Mr. EDWARDS (Frontenac): How could the Canadian government refuse a request if it was not made?

Mr. BOURASSA: They refused the request from certain Canadian officers of the type of mind of the hon. gentleman.

Mr. EDWARDS (Frontenac): I do not wish to be offensive to the hon. gentleman, and I do not suppose he wishes to be offensive to me—

Mr. BOURASSA: Not at all.

Mr. EDWARDS (Frontenac): Then you might just change your mode of address. What do you mean by the type of man of

the hon. gentleman? I am perfectly willing to have my type of mind compared with that of the hon. gentleman.

Mr. BOURASSA: Certainly. I mean people who are rather restive, people who every time they hear of a little flag here or a little flag there get nervous, and therefore are apt to lose their good sense—excellent thinking people, as my hon. friend is, only they do not always think deeply or take the time to think.

Mr. EDWARDS (Frontenac): Might I point out to my hon. friend that no person was more restive and had a greater regard for the flag than he had when he was in France in 1914? He was glad to get out under the flag then.

Mr. BOURASSA: I would not like to follow the course taken by the hon. member for Winnipeg South Centre (Mr. Kennedy) this afternoon and get away from this debate, but I may say to the hon. gentleman that I did not get out of France under the British flag, but under the French flag, by pure accident, as many other foreigners from many other countries got out at that time, after the war had broken out—in spite of the legends that have been printed in the Ontario papers.

Mr. EDWARDS (Frontenac): Well, perhaps.

Mr. BOURASSA: What I want to say is simply this: In 1885 there began to grow a new conception of imperial relationship. I am not condemning that, I am simply pointing out the fact. Some people wanted to give expression to that new conception of relations by committing Canada officially, as a government, as a nation, to that war in the Soudan. Well, Sir John A. Macdonald thought it was a wrong conception. He thought the right conception was the one arrived at after a century of struggle between French and English in Canada, and between Upper and Lower Canada. He thought that the only means by which moral unity could be maintained in the British Empire was by respecting to the fullest extent the needs, the desires, and the will of each of the self-governing dominions to frame its external as well as its internal policy according to its will, according to its needs, according to its prejudices,—its narrowness of mind, if you like,—but, nevertheless, according to its free British conception of self-government. Not only was the attitude of Sir John A. Macdonald on that occasion supported by his party, but it was not even challenged by the opposite party. So strongly entrenched still was the principle of dominion autonomy at that time that neither party thought it advantageous to attempt to attack the other party for taking that attitude.

The first attempt at making political capital out of this question of military preparation was in 1896, when the Conservative government, a few months before dissolution, thought it necessary, rightly or wrongly—I am not discussing the policy at all—to devote a certain sum of money to the purchase of arms. The Liberals of Quebec then started a campaign of denunciation against the Conservative government for spending money to fight England's wars. Mind you, there had been no suggestion whatever that this appropriation of money was to fight England's wars; it was simply to increase the munitions of the Canadian militia. That was in 1896.

Mr. CAHAN: The hon. gentlemen will admit that at the time of the purchase of those arms there was very grave danger of complications between Great Britain and the United States. Secretary Olney, of the Cleveland administration, had sent his message, and there was very grave danger of trouble on the Canadian frontier.

Mr. BOURASSA: Quite so. I am not discussing at all the propriety of the thing. On the contrary, the responsibility of first raising the issue as between the duty to Canada and the duty to England came from the Liberal side, who challenged that purchase of arms, without, I think, any justification. Three years later the game was reversed. Trouble had begun to arise in South Africa. In the summer of 1899 a so-called delegate of the Outlanders of the Transvaal and Orange Free State, but as was proven later in the House of Commons in England, a paid agent of the De Beers Mining Company and the company under the control of Mr. Cecil Rhodes, came here and secured from both parties a resolution of sympathy with the Outlanders of South Africa. The negotiations at Bloemfontein dragged on for a few weeks, and the Montreal Star launched its campaign for consultation with the mayors of the various municipalities of the Dominion. All the answers favourable to the intervention of Canada were published with heavy headlines, but all those opposed to it were thrown into the waste paper basket; this I have from a member of the staff of the Montreal Star of that day, and it is typical of the means the Montreal Star has resorted to on several occasions of that nature. The Liberal government began by stating that it could not intervene. Sir Wilfrid Laurier gave an official interview to the Toronto Globe, stating that under the constitution of Canada he could not intervene. Ten days later he

gave way, after he received a telegram from Sir Charles Tupper, leader of the Conservative party, and he did exactly the opposite. He decided to send troops; nevertheless his government took the precaution, rather childish as I thought, to put in the order in council deciding on the enlistment and sending of troops, a statement that it would not constitute a precedent. Later on, in the House of Commons, on the 13th March, 1900, the Prime Minister laid down this principle, which at least was in accordance with all past precedents and constitutional doctrines as applied heretofore:

> But I have no hesitation in saying to my hon. friend that if as a consequence of our action to-day, the doctrine were to be admitted that Canada should take part in all the wars of Great Britain and contribute to the military expenditure of the empire, I agree with him that we should revise the conditions of things existing between us and Great Britain. If we were to be compelled to take part in all the wars of Great Britain I have no hesitation in saying that I agree with my hon. friend that, sharing the burden, we should also share the responsibility. Under that condition of things, which does not exist, we should have the right to say to Great Britain: If you want us to help you, call us to your councils; if you want us to take part in wars let us share not only the burdens but the responsibilities and the duties as well.

That was in 1900. Two years later there was an Imperial conference and there the reaction began to assert itself both in England and here, against the principle—I should not say the principle, but the policy—of imperial solidarity adopted in 1899 contrary to the well established principle and practice of dominion autonomy carried on during thirty years previous to that war. In England, the so-called Little Englanders came back to power under the guidance of that able though not brilliant statesman, Sir Henry Campbell Bannerman, and at the conference of 1907 he laid down very properly the principle which applies of course to all forms of defence, though in its terms it speaks only of naval defence. He said:

> The cost of naval defence and the responsibility for the conduct of foreign affairs hang together.

In other words, as was agreed in 1865, as was reiterated in 1887 by Sir Alexander Campbell, and as admitted by the Prime Minister, the dominions have no responsibility in the general defence of the empire at sea or on land, so long as they have not control of the foreign affairs of the empire in the same manner, with the same degree of power, with the same measure of control, which the people who rule the United Kingdom have, and the same degree of responsibility to the people who elect them to power as the rulers of England have to the people of the United Kingdom. But unfortunately that did not last long. Two years later the naval scare was launched. Anyone who has taken the trouble to study the documents and evidence in London knows now that that naval scare was launched simultaneously in Germany and England in order to enhance the shipbuilding trade, but let that pass.

Mr. HOCKEN: Yes, you had better.

Mr. BOURASSA: Better?

Mr. HOCKEN: I think it would be better.

Mr. BOURASSA: In a way, yes, because I would not like to introduce to-night controversial matters. But it has a very interesting bearing on German as well as on British imperialism. Parliament agreed upon the necessity of doing something. The Liberal government came out with a policy that was defined by the then Minister of Finance, Mr. Fielding, of building up a Canadian navy, Canadian in time of peace and imperial in time of war. It was rather a queer policy. Later on, the Conservative party in the House of Commons came with a counter proposal of a contribution to the British navy.

Perhaps it may not be out of place, not for the sake of resurrecting old arguments, but simply to show on what principle or basis of argument we rely to oppose these changes in our relations with the United Kingdom without any thoughtful reflection being given to it, if I now read a resolution which was adopted after the election in Drummond-Arthabaska, and framed if I may mention it by myself in conjunction with the late Mr. Monk, later on Minister of Public Works in the Borden government. It reads thus:

> This meeting approves and ratifies the verdict rendered by the electoral division of Drummond and Arthabaska; re-affirms the will of the Canadian people to uphold the rights of the British crown in Canada; declares itself ready to approve of all necessary and efficient measures to make sure the defence of Canadian territory. But it considers as contrary to the principle of Canadian autonomy and the real unity of the empire, any policy tending to impose upon Canada, that has no voice in the government of the Empire, any share in the external responsibilities or in the military defence of the Empire, outside of the Canadian territory—the only portion of the Empire upon which the Canadian people may exercise any political or constitutional action.

This after all was a mere enunciation in a condensed form of all the principles and policies that had been laid down for half a century; that had been supported by argument and by correspondence; that had been applied in practice as well as upheld in doctrine by the leaders of the two great parties whether in opposition or in power. It seems to me therefore that there was no reason for one party to attack the other on this ground in the province

of Quebec, while denouncing and combating the men who were instrumental in maintaining that policy.

At the following session, after Mr. Monk had moved an amendment to the Address in conformity with this resolution, Mr. Borden, leader of the Conservative party, moved a sub-amendment; but when his sub-amendment had been defeated he rallied himself with all his party in support of Mr. Monk's motion which was nothing but a confirmation of the policy asserted in Drummond-Arthabaska. It was then that Mr. Borden very properly laid down this policy in the name of the Conservative party:

I think the question of Canada's co-operation upon a permanent basis in imperial defence involves very large and wide considerations. If Canada and the other dominions of the empire are to take part as nations of this Empire in the defence of the empire as a whole, shall it be that we, contributing to that defence of the whole empire, shall have absolutely, as citizens of this country, no voice whatever in the councils of the empire touching the issues of peace or war throughout the empire? I do not think that such would be a tolerable condition; I do not think the people of Canada would for one moment submit to such a condition. Shall members of this House, representative men, representing 221 constituencies of this country from the Atlantic to the Pacific, shall no one of them have the same voice with regard to those vast imperial issues that the humblest taxpayer in the British Isles has at this moment? It does not seem to me that such a condition would make for the integrity of the empire, for the closer co-operation of the empire. Regard must be had to these far-reaching considerations.

If it were legitimate, proper, for the leader of the Conservative party in 1910 to lay down and to express in such clear terms the doctrine of Dominion autonomy, of equality of right with the United Kingdom in matters of foreign policy, why should we be branded as traitors to the crown because we persist in saying that this is the true and the only principle upon which it is possible to maintain the dignity of the various component parts of the empire, and at the same time that unity which has been and will be found under British rule alone as long as British rule means liberty of opinion and liberty of action?

The next year the Imperial conference dealt with these matters. It was probably one of the most interesting of those Imperial conferences. It came before the war, before our minds were troubled by the anxieties of the war, and close enough to the war to enable far-seeing statesmen to see what complications would arise in connection with inter-imperial relations, in case of a war in Europe. At that conference, the Prime Minister of New Zealand, Sir Joseph Ward, a staunch imperialist with a logical mind, came with a motion in favour of the organization of an Imperial council to deal with all these matters and to enable the various portions of the empire to stand on a footing of equality. To this the Prime Minister of England, Mr. Asquith, made this reply:

For what does Sir Joseph Ward's proposal come to? I might describe the effect of it, without going into details, in a couple of sentences. It would impair, if not altogether destroy, the authority of the government of the United Kingdom in such grave matters as the conduct of foreign policy, the conclusion of treaties, the declaration and maintenance of peace, or the declaration of war, and, indeed, all those relations with foreign powers, necessarily of the most delicate character, which are now in the hands of the Imperial government, subject to its responsibility to the Imperial parliament.

And he added these significant words:

That authority cannot be shared.

That was a pretty clear and stiff declaration. It passed, but later on, after the change of government had taken place in Canada, Sir Robert Borden, Prime Minister of Canada—whom I will always credit with some of the most timely and courageous declarations that have been made in favour of Canadian autonomy and whose pertinacity of thought in this matter has rendered great services to Canada and the empire—Sir Robert Borden, when proposing his naval contribution, came out with this declaration, very interesting because it combines at once the statement of Sir Henry Campbell-Bannerman in 1907 and this late declaration of Mr. Asquith in 1911:

Responsibility for the empire's defence upon the high seas, in which is to be found the only effective guarantee of its existence, and which has hitherto been assumed by the United Kingdom, has necessarily carried with it responsibility for and control of foreign policy.

This is practically a repetition of Sir Henry Campbell-Bannerman's statement in 1907.

When Great Britain no longer assumes sole responsibility for defence upon the high seas—

Naturally, I repeat, this applies to land war operations outside of the country.

—she can no longer undertake the same sole responsibility for and sole control of foreign policy which is closely, vitally, and constantly associated with that defence in which the dominions participate. It has been declared in the past, and even during recent years, that responsibility for foreign policy could not be shared by Great Britain with the dominions. In my humble opinion, adherence to such a position could have but one and that a most disastrous result. During my recent visit to the British Islands, I ventured on many public occasions to propound the principle that the great dominions, sharing in the defence of the empire upon the high seas, must necessarily be entitled to share also in the responsibility for and in the control of foreign policy. No declaration that I made was greeted more heartily and enthusiastically than this. It is satisfactory to know that to-day not only His Majesty's ministers but also the leaders of the opposite political party in Great Britain have explicitly accepted this principle and have affirmed their conviction that

the means by which it can be constitutionally accomplished must be sought, discovered and utilized without delay.

The answer was not slow to come. This was pronounced on the 5th December, 1912; and on the 10th December, Mr. Harcourt, Colonial Secretary, sent a despatch explaining the position. He said:

The Canadian government having changed in the autumn of 1911 it was necessary, when Mr. Borden and his colleagues visited England this summer, to put these proposals before them, as they were, of course, unaware of the previous proceedings. Subject to consultation with his colleagues in Canada, Mr. Borden provisionally accepted the resolutions as passed and stated that he saw no difficulty in one of his ministers either with or without portfolio spending some months in London in order to carry out this intention. Mr. Asquith and I had, subsequently, several private conversations with him, at which he expressed the desire that the Canadian and other dominions ministers who might be in London as members of the committee of imperial defence should receive, in confidence, knowledge of the policy and proceedings of the Imperial government in foreign and other affairs.

Mind you, a very reasonable request, just to have knowledge of what was going on.

We pointed out to him that the Committee on Imperial Defence is a purely advisory body and is not and cannot under any circumstances become a body deciding on policy, which is and must remain the sole prerogative of the British cabinet, subject to the support of the House of Commons of the United Kingdom.

Now, I do not dispute the soundness of this policy from a practical point of view. I quite realize the difficulties in which these men in London find themselves, when from day to day they must keep in touch with what is going on in Africa, in Asia, in Europe and elsewhere, keep up their diplomatic correspondence with all their ambassadors and ministers and consuls, keep in touch with all foreign governments, and so forth. I quite realize the difficulty, not to say impossibility, which they must experience in keeping governments in Ottawa, in Melbourne, in Capetown and in other parts of the empire equally informed as to what is transpiring, and the still greater difficulty of getting the sense of these various governments in respect of any policies that are propounded. Very well; I fully appreciate the situation. But, then, is it not a natural consequence that so long as a means is not found of putting the self-governing dominions on an equal footing of responsibility with the United Kingdom, it is unfair, it is unjust, it is un-British to ask those outlying dominions to share the same consequences ensuing from imperial policy as the people of England and Scotland and Wales, who at every by-election or general election can reach by their votes the men whom they hold responsible for such policy, and can reward them if they have done well by their country or punish them if they have betrayed their trust?

[Mr. Bourassa.]

Mr. EDWARDS (Frontenac): Have they ever been so asked?

Mr. BOURASSA: Who?

Mr. EDWARDS (Frontenac): The overseas dominions.

Mr. BOURASSA: No; I am afraid my hon. friend is under a misapprehension. No one has ever claimed, I least of all, that the British government has at any time endeavoured to impose any policy upon us. It is worse than that. What I have always maintained, and what I have stated to-night, is that for the past twenty-five years a growing number of Canadians have lost their sense of British citizenship to such a degree that they are prepared to assume burdens which the British people would never think of undertaking themselves, or of imposing upon us.

Mr. EDWARDS (Frontenac): It still rests with the people of Canada.

Mr. BOURASSA: Of course it does. I should not like to do so, but if my hon. friend grates upon my British nerves I may be tempted to make a comparison.

Some hon. MEMBERS: Oh, oh.

Mr. BOURASSA: This surprises hon. gentlemen, but they are so much imbued with the modern Yankee type of imperialism that they do not realize how it is possible for a man, foreign by blood to British institutions, to be deeply attached to those institutions. It is not an attachment of blood with me, but purely one of reason; and therefore I am not carried away by impulse in these matters. I try to reason them out. In my reasoning I may be wrong, but I nevertheless claim the right to remain faithful to principles which I believe to be sound, principles that have been respected for a full century as constituting the only safe basis of imperial relations. I claim the right as a Canadian and a British subject to remain faithful to that ideal without being branded a rebel or a disloyal French-Canadian. The fact is that not being English by language, nor American by mentality, nor Prussian in spirit, I choose to remain British in the sense in which our Canadians were British fifty years ago. And here my hon. friend from Argenteuil (Sir George Perley) may begin to realize the distinction I draw between an ordinary British-Canadian and what I call an ardent imperialist.

Now the Great war came on with none of these problems settled, but all of them raised before the people of the various British communities in a haphazard manner. This is not the time to discuss whether or not Canada or any other of the British dominions ought not to have entered the war. I merely mention one outstanding feature of the whole thing, with which everyone agrees, apart from a few eccentrics, namely, that each dominion was free to participate in the war or to refrain from doing so, as it might see fit. Everyone shared that view. Mr. Bonar Law, among other British statesmen, was of the opinion that neither Canada, nor Australia, nor New Zealand, nor South Africa had any obligation whatever to take part in the war. But if any dominion undertook to go in it, it meant a tremendous contribution in men and money to the new doctrine of imperial solidarity. I say it meant a contribution to the doctrine of imperial solidarity, for it cannot be pleaded that either Canada or Australia went into the war as full-fledged nations. No; had they entered the war in the status of full nationhood they would have been obliged to make a declaration of war against Germany, Austria, Bulgaria and Turkey, according to the time that those countries entered the conflict. Before even England had declared war, the government of Canada had sent a despatch to London offering troops. True, parliament was convened after the offer had been made, but in point of fact no declaration of war was ever served in the name of Canada to the German or the Austrian governments. How, therefore, did Canada come to take part in the war? No one has ever answered that question precisely. It is admitted on every hand that the declaration of war by the British government could not commit us to action, although of course it did render the territory of Canada liable to attack from the enemies of Great Britain. Everyone is agreed on that point. But according to the doctrine and practice that had been followed up to the South African war and maintained during that war, a declaration of war by the British government did not carry with it any obligation on the part of any of the self-governing dominions to enlist one man or to spend one dollar. I do not think I need labour that point; it has been acknowledged not only in England but in every one of the self-governing dominions as an incontrovertible principle. Well, then, how did we come to participate in the war? I leave aside to-night, of course, the very eloquent reasons that were advanced during the war—the defence of democracy, the assertion of the principle of self-determination, and all that. Let us suppose that those had been the true reasons: they would nevertheless have imposed upon us the necessity of declaring war upon the enemies of the empire just as the United States did in 1917. The fact is, we went into the war without any declaration of war on our part because of the new doctrine of imperial solidarity, irrespective of the geographical situation of any of the self-governing dominions, and irrespective equally of the local or particular causes of war which any of those dominions might have against Germany at that time or against any other country subsequently. This is what was new.

Mr. McGIBBON: Might I ask the hon. member if he thinks we did wrong?

Mr. BOURASSA: I will tell my hon. friend frankly. The hon. gentleman must know, or he might ask some of his friends who know me, that I am not afraid of saying anything. I stated at the beginning of the war that I thought we did right, but I added this: First, that parliament should have declared, previous to its decision to participate in the war, that it reserved for the free and peaceful will of the people of Canada to decide what would be her future relations with the empire, and should not have acknowledged the principle of imperial solidarity as opposed to the principle of dominion autonomy that had been sustained heretofore. That was the first reservation. The second was this: I considered that Canada should have measured her participation in that war according to her means of action, according to the number of her population and according to her future needs, not only as regarded herself, but as regarded her true contribution to the British Empire, which will never be so efficacious as when we accomplish it on the soil of Canada by making Canada populous, prosperous and happy. In the light of what has transpired since, I would not now say that we did right in going to war. But I repeat, I do not say it was wrong then. I do not blame those men who voted in sincerity for the participation of Canada in the war; but I say, first, they departed from the established practice and principle upon which the relations between Great Britain and Canada had been carried on for a century, and happily for both countries; and, second, that this having been done, they must be prepared now to stand manfully in a broad way the consequences of that participation. Surely there is not a representative of the people of Canada, whether he be French or English by birth, whether he

be Conservative, Liberal or Progressive by party affiliation, who will come to me and say that after we have spent in four years' time as much money as we had spent in fifty years' time to build up this country, after we have made greater sacrifices for England and France than generations of Canadians had been called to make for Canada, after we have either compromised or endangered the solution of every national, provincial, racial or economic problem of this country in order to come to the rescue of England and France,—surely not one such representative will tell me that this is not the time to study the problem, and that we have only to look upon the past actions of this or that gentleman in some little street in a Canadian city, town or village. No Sir! The most patriotic and practical men of England and Australia, of South Africa and New Zealand, have been concerning themselves with this problem for the last ten years. This coming fall the Prime Minister of Canada, whether he be this right hon. gentleman or the other right hon. gentleman—the purely party of point of view for the present time I want to forget—will go to London, and with men representing the free peoples of Australia and the other outstanding dominions will discuss those problems with the representatives of Great Britain. Is it improper that as a Canadian, tracing my ancestry back through generations of Canadians, I should desire that some one will speak out in those councils of empire with the same thoughtful voice and after the same due reflection that the representatives of the other portions of the British Empire will carry there? Is this improper? Is this unpatriotic? Is this disturbing the House of Commons from the tremendous problem of whether certain gentlemen painted in blue shall take the place of certain other gentlemen tinted in red? I repeat with Lionel Curtis: this issue of peace and war, of relations between Great Britain and the sister dominions, out of which the maintenance or the downfall of the British Empire may be assured in the next twenty-five years, is predominant over all other domestic issues that we may have to deal with; because according to the solution that will be given to this supreme issue, the other issues will be governed and directed and finally settled.

Now, have we progressed in the way of participation in the government of the empire in the same proportion as we have progressed in our contribution to the war expenditure of the empire? Not later than last fall Sir Robert Borden—who is now free to speak his mind, who has no longer the responsibility of a government or a party, and who, I am happy to say, has preserved his freshness of mind and his constitutional knowledge—went to a very interesting yearly gathering, the Institute of Politics of Williamstown College, Massachusetts. He spoke there on August 17, 1925. He did not think, as did our good friend from Winnipeg South Centre (Mr. Kennedy), that it was not worth while speaking of this, that we should wait till the fire is burning the house to know what measures we will take to extinguish it. No! Sir Robert, ever since he quit politics, has lost no occasion of talking on these matters and, I think, on the whole, very sensibly. He spoke of the part which the dominions played during the war in framing the war policy. He spoke of the imperial war council, and he defined it as:

> A consultative body in which all important questions respecting the conduct of the war and the war effort of the empire were discussed and determined, and in which dominion ministers sat on terms of perfect equality with their British colleagues.

Then he spoke of the imperial war conference of 1917:

> The well-known resolution passed by this conference to which the British government was a party, based the constitutional relations of the empire upon a full recognition of the dominions as autonomous nations of an imperial commonwealth, and of India as an important portion of the same, confirmed the right of the dominions and India to an adequate voice in foreign policy and foreign relations, and declared the necessity of providing effective arrangements for continuous consultation and necessary concerted action.

My old friend Sir Robert still has an affection for the adjective, "adequate." I remember when he spoke of "adequate protection." Of course, that is pretty difficult to define. Let us see how in practice that adequate voice granted to the dominions and to India in the various conferences or congresses in which they took part during the war and since the war was heard.

First there was a negotiation which resulted in these instruments of diplomacy—I will not say of peace—which followed the war: the treaty of Versailles, the treaty of Trianon, the treaty of St. Germain, and so forth. There was one Dominion statesman who saw through them, or at least who saw through the treaty of Versailles. That man was General Smuts, who, before affixing his signature, entered a solemn protest because, as he said, "This will not bring peace." I think events have proven that he was perhaps the most clear-sighted of all the British representatives there. I have been told by one very close to the peace negotiators that forty-eight hours before that so-called instrument of peace, the Versailles treaty, containing the covenant of

the League of Nations, with nearly four hundred articles and appendices, was signed, not one of the Dominion representatives had read it. I do not know. There is one thing I do know, however, that at the next meeting of the League of Nations at Geneva, the Hon. Mr. Doherty, Minister of Justice in the late Conservative government and representative of Canada, wanted article 10 of the covenant of the league to be revised in such a manner as to resurrect in different form the old doctrine of colonial and dominion autonomy, although it was not stated in so many words. Later on Sir Lomer Gouin, Minister of Justice and representative of the Canadian government at the following conference, also endeavoured to have a revision of that article. He came closer to the goal, but did not succeed. There it stands, committing Canada with all the other full-fledged nations, nations able to frame their policy and constitution to their needs and having the right of self-government in foreign as well as international matters. We stand committed by signatures made in haste by our representatives because they were told to rely upon the wisdom of the British representatives.

Mr. CAHAN: Does not the hon. gentleman admit that at a later date the representatives of the present government, of whom I think the Minister of Justice was one, did secure an authoritative interpretation of article 10, which changes it in its bearing very considerably, and which relieves the dominions of some considerable responsibility that would have been imposed upon them under the original article?

Mr. BOURASSA: If my hon. friend means, as I do, that after second thought and reflection we have come to a point where article 10 will not hurt us the way it might, I quite agree with him.

Mr. CAHAN: Does not the hon. gentleman admit also that on a day before the signing of the original treaty of Versailles Sir Robert Borden himself at Versailles made a strong protest against article 10, and reserved the right so far as Canada was concerned to secure later if possible an authoritative interpretation or the repeal of that article?

Mr. BOURASSA: I am very happy to learn that he did so, but unfortunately he signed the treaty as it was, and the treaty had been negotiated outside of his knowledge.

Mr. CAHAN: I submit to the hon. gentleman that he should not state in that precise way that Sir Robert Borden was ignorant of the terms of the treaty at the time it was signed, and I do not think he should conceal altogether from this House, whether or not it is done intentionally, the fact that Sir Robert Borden under the circumstances, having made his protest, regarded it as in the interests of Canada that the treaty should then be signed and that a reservation should be made with respect to Canada's future relations under article 10.

10 p.m.

Mr. BOURASSA: Mr. Speaker, I must say I have not heard of Sir Robert Borden's protest. I do not find it anywhere in the documents relating to the Peace conference.

Mr. CAHAN: It appears in a number of the reports.

Mr. BOURASSA: Yes, unofficial reports, but even then that strengthens my contention that in that so-called association of nations which took its first form in Paris, an article was introduced in the treaty which was supposed to govern in the future the relations of the British Empire at large with all other nations. It was supposed, as a consequence, to govern the inter-imperial relations of the various British dominions whose representatives affixed their signatures. There was an article framed in closed chamber between Mr. Wilson, Mr. Orlando—no, he was not there—Mr. Clemenceau and Mr. Lloyd George, which forced Sir Robert Borden, as representing Canada, to enter a protest which is not noted in the international documents, and which has no official bearing. Later on, when Mr. Doherty, representing Canada, tried to make that protest effective, it did not carry weight, and when Sir Lomer Gouin again tried to make that protest, it did not carry. I am simply taking this as an example to show that the so-called equality of representation between Great Britain and her self-governing dominions in these matters of diplomatic concern has not been satisfactory nor complete nor true to the letter or the spirit.

Mr. McGIBBON: May I ask the hon. gentleman a question? What good does he think that treaty would have been without article 10?

Mr. BOURASSA: I am not going to enter into a discussion upon that with my hon. friend. I am simply pointing out, or giving this as an illustration, that it is not according to fact—and it could not be, as I will show in a moment—to say that the representatives of the various self-governing dominions were represented in the council of nations at Versailles on the same footing and with the same

voice as the representatives of the United Kingdom. We have an example of that later on, and again I want to show the good work and the splendid spirit evinced by Sir Robert Borden in very difficult circumstances. In the year following, when this treaty was brought up for ratification by this House, he laid down this doctrine, which I may say is also mine—irrespective, of course, of the merits of the treaty:

His Majesty the King and his advisers have recognized the right of this parliament to express its opinion upon this treaty. I made that pledge to parliament and the British government have been informed of that pledge. They recognize the situation, and they are not disposed to deal with this treaty, so far as Canada is concerned, apart from the approval of the Canadian parliament.

This was challenged by Mr. Fielding, who endeavoured to make out that even if the parliament of Canada did not ratify the treaty, the treaty would go on just the same, to which argument Sir Robert Borden replied:

I am stating to the hon. gentleman an absolute fact, as to which I hope he will not doubt my word. I tell him it is recognized by the ministers of the crown of Great Britain that this treaty must be submitted to the Canadian parliament for its approval, and that we desire, we insist, upon the judgment of the Canadian parliament in regard to it before we advise the King on behalf of Canada that the treaty should be ratified.

Again Mr. Fielding derided this pretension. He claimed this simply meant that if the treaty was not ratified the Conservative government would be defeated, to which Sir Robert Borden replied:

I beg my hon. friend's pardon. He has forgotten what I said a moment ago. Failure to ratify the treaty would involve very serious consequences indeed.

Hon. Mr. Fielding: What are they?

Sir Robert Borden: The consequences would be that Canada would stand out of a treaty of peace accepted by the empire.

Hon. Mr. Fielding: Would we be at war?

Sir Robert Borden: I have already said what in our opinion our status would be in that case. If my hon. friend means that, notwithstanding the arrangements which have been made, the conventions which have become recognized, the status which has been accorded to the Dominions during recent years, we are still subject to have this treaty ratified by His Majesty on behalf of Canada whether the parliament of Canada is willing to ratify it or not, then I tell him he is dealing in ancient history and that his ideas should advance with the progress of recent years.

Later on he adds:

His suggestion was that ratification by the parliament of Canada is merely a farce, that the government of the United Kingdom possesses such constitutional right in respect of this Dominion that they can impose their will upon us without regard to this parliament. I repeat that if such is the opinion of the hon. member, he is thinking in terms of a hundred years ago, and not of to-day.

There Sir Robert Borden laid down quite clearly and unmistakably the doctrine that neither the government of Canada nor the government of Great Britain can compromise the future or the present rights of the people of Canada without the explicit and expressed consent of the parliament of Canada. This is good nationalist doctrine, and I accept it when it comes from a Conservative leader just as readily as I would accept it from any other authority.

Mr. CAHAN: It is good Conservative doctrine, and if I understand the statement of policy made in times past by the right hon. leader of the present government, it seems to me it is a statement of good Liberal policy as well.

Mr. BOURASSA: Of course; that is what I am going to prove in a moment. The only thing is I would like to have it asserted by parliament as early as possible in time of peace, when people possess their cool senses, instead of waiting for the excitement caused by the approach or the declaration of war to have it disregarded by both parties. The observation of my excellent friend from St. Lawrence-St. George (Mr. Cahan) dispenses with the necessity of my giving another quotation from Sir Robert Borden on the rights of the parliament of Canada from that same lecture at Williamstown last summer, but I may well give this short quotation, which I think was meant as a warning to London:

It will be wise for British statesmen constantly to remember that the commonwealth cannot go to war in sections, and that engagements which may involve the Dominions in war ought not to be undertaken without their full concurrence.

Now let us see how this worked out in practice after the war. Not long after the conference in 1922, came what has been called the Chanak incident. After some squabble had been going on between the Greeks and the Turks, the Turks being encouraged by the French, and the Greeks being encouraged by the British—that is a matter of history now—the matter became rather ugly. The Greeks were thrown out of Asia Minor, and of a sudden came a message from Mr. Winston Churchill to the Canadian government, as well as to the governments of the other Dominions, asking practically for a declaration of empire solidarity in the action which the British government contemplated taking in the Mediterranean. Of course, it has been explained since that this action was not very well thought out, that the British cabinet had not been consulted, and that there was not much danger; but, Sir, past experience should prove to us that even when the whole British cabinet is not consulted, that does not mean

that nothing will come out of it. At the beginning of this session I reminded the House of what is also a matter of history, that the obligations laid upon the shoulders of the people of Great Britain on behalf of France, and which eventually came with a vengeance upon our own shoulders, were undertaken solely by some members of the British government, in the ignorance of the Prime Minister of England and of two-thirds of his colleagues in the cabinet. The truth was known in the three fateful days which elapsed between the declaration of war by Germany upon France and the declaration of war by England upon Germany. So I do not think any incident of that nature can be overlooked, and I think also the present Prime Minister did the right thing by Canada, did the right thing by the British Empire, and did the right thing by the world, when he refused to be stampeded by that blackmailing process of Mr. Winston Churchill. Likewise I think he remained absolutely faithful, in word as in deed, to the old doctrine and the old practice of Dominion freedom of action, when he refused to be bound by the terms of the treaty of Lausanne, when he refused even to accept the invitation to be represented at Lausanne which came just a few days before the conference was opened, and when this government had not been kept in knowledge of what had elapsed since the Chanak incident, and when the conference came practically as a sequel to that incident.

Mr. CAHAN: Is the hon. gentleman speaking with knowledge and authority on that point?

Mr. BOURASSA: On which point?

Mr. CAHAN: As to whether the government were kept informed or not during that interval?

Mr. BOURASSA: I take the exchange of telegrams which has been published both in London and here, in which I find, and it has not been contradicted, that the British government assumed that the Canadian government would act at Lausanne in the same manner that it had acted at Versailles and elsewhere; to which the Canadian government replied that the case was rather different because at the Peace conference they had been invited beforehand; they had taken a share in the negotiations, and they had signed for what they were worth the treaties of peace. Of course, I cannot read the whole correspondence, but it can be found in the Sessional Papers of 1924. I will read just this one paragraph, which I think sums up the whole thing. This is in the despatch of Lord Byng to the Secretary of State for the Colonies, then the Duke of Devonshire, dated December 31, 1922:

> Your Grace is quite right is assuming that as regards treaties in which Canada is supposed to have a direct or immediate interest, the procedure here outlined is the one which our government would wish to follow. In the case of the main political treaties concluded since the war, in general the rule seems to have been followed that, wherever the Dominions could be said to have a direct or immediate interest, the procedure was shaped to include their participation in, and signature of, the proceedings. That in the case of the conference at Lausanne a like procedure has not been followed with respect to representation and participation by Canada, has been regarded by us as evidence that in the opinion of the countries by whom the invitations to the conference at Lausanne were extended, Canada could not have been believed to have the direct and immediate interest which she was supposed to have in the conference at Versailles and Washington.

Mr. CAHAN: I understood the hon. gentleman to say, not that Canada had not been invited soon enough to Lausanne, but that the government of Canada had in the meantime not been kept informed as to the progress of events.

Mr. BOURASSA: Oh, I do not know.

Mr. CAHAN: Then I misunderstood the hon. member.

Mr. BOURASSA: What I mean is that there was not such official communication between the government in London and the various dominion governments in regard to this as there is between any full-fledged government and foreign governments with which it is allied—that is, in the way of diplomatic correspondence, such as was exchanged during the war or for some time previously, for example, between the French and English governments.

Mr. CAHAN: I read all that, but I did not place the same interpretation upon it as my hon. friend does.

Mr. BOURASSA: If my hon. friend will allow me, I will not go into the details. I am taking the official documents and trying to make out what has been the general trend of relations between the two governments. I would not like to discuss any small issue connected with any of those instances.

This was not merely a free handed or self-willed determination of this government. The attitude observed in the Chanak incident and with regard to the Lausanne treaty, one before and the other after, was in exact conformity with the principles laid down at the Imperial conference in 1923 and adopted unanimously by the conference with regard to

negotiation, signature and ratification of treaties. There for the first time—and this is one of the redeeming features in that whole history—it was fully acknowledged, unanimously acknowledged, that with regard to negotiation, signing and ratification of treaties, each portion of the British Empire stood as a unit. If the matter for negotiation concerned only one of those countries, then the treaty was to be negotiated by the representatives of that country and signed by them. If it concerned more than one, then those self-governing countries of the British Empire concerned should be represented, always with regard, of course, to the interests that might arise, or that might connect their actions with the situation of other portions of the empire. In other words, there was a return by a roundabout way to the old principle that the obligations of each portion of the British Empire are measured by their responsibilities and by their interests. Under that new rule, each country controls, or is entitled to control, its foreign affairs according to its situation and its interests, and takes part, by its representatives, in diplomatic relations or in the diplomatic conferences which deal with those things. That is practically what has been done by the present Minister of Justice in the so-called Halibut treaty. I must say that I do not attach a great deal of importance to that; but it is at least a landmark in that interesting process of evolution in our relations with the Motherland. Instead of being looked upon as a revolutionary procedure it should be accepted as a healthful sign of the development or the renascence of the sense of dignity and nationality in the various portions of the empire. For my part I am prepared to congratulate this government on their attitude in those instances, just as I congratulate Sir Robert Borden in the instances I have mentioned, and just as I congratulate the right hon. leader of the opposition for his attitude in London in regard to the Japanese treaty. Why should we always look upon the action of our leading men from the small point of view which would enable one party to take advantage of the other, instead of looking to the general advantage accruing to Canada through the effort which any of its representatives may make in London or elsewhere to assert the dignity and the interests of the people of Canada?

I must say, not to be too complimentary, that I think our representation by the so-called panel system in London, the year after, is one of the most absurd things I ever heard of. The idea that the British Empire should be represented in an international congress by the British government first, last and forever, and then in the case of the dominions, one of the dominions on Monday, another on Tuesday, another on Wednesday and the other on Thursday, is surely laughable. Of course the reason is easy to understand. Foreign nations, realizing the tremendous possibilities that might accrue from that evolution in the constitutional government of the empire, have begun to challenge the right of the dominions to be represented independently, or rather to be represented as units in an international congress. It is a well-known fact now that the dominions could not be represented equally with the United Kingdom in London in 1925 because of the opposition of the French government, among others. Time and again I have read—not time and again, because foreigners do not take much interest in our affairs—several times I have read very thoughtful studies by foreign authorities on this situation, as it affects international affairs. They say the British Empire must make up its mind whether it is one nation or several nations. If it is one nation, then it must be represented by one authority. That authority cannot be shared, as stated by Mr. Asquith several years ago. If it is several nations, then it cannot at leisure act as one, or as six or seven, according to its fancy or its interests. I admit this is the one aspect of the question which is the most baffling at the present time. I have confidence enough in the common sense of the British people at home and abroad, and I have confidence enough, in spite of appearances, in the sense of just pride in these young nations that have grown all the world over on the pattern of the Motherland, to believe that we can solve that problem as between ourselves. But with regard to the foreign world, it must be admitted that since we have abandoned the safe and sound policy of the Fathers of Confederation, we have created a very complex situation in our relations with the outside world. The moment we have chosen to share in the responsibilities of the empire the world over, we must be prepared to face that problem, not only from the British, not only from the Canadian, but also from the international point of view. It is worth while being considered and studied; and for that reason alone, it is urgent that the best minds of this country should give it their deepest thought as right-thinking men, in England and in the other portions of the empire, are doing now and have been doing ever since the war.

With the adjunction of the Free State of Ireland to the association of nations called the British Empire—with Lord Milner, I do

not like the term "British Empire;" I think it is a misnomer—a new phase has developed. As the hon. member for Winnipeg North Centre (Mr. Woodsworth) pointed out this afternoon, the constitution of the Free State of Ireland is in advance of our constitution. Between the two stands the constitution of Australia, which in some respects is in advance of ours and in some respects backward of that of Ireland. Last year, in Washington, at the interparliamentary conference, Mr. Fitzgerald, foreign minister in Dublin and representative of the Free State of Ireland at that conference, suggested that the British Dominions should assert their right to remain neutral in any war in which Great Britain or other portions of the empire might be engaged, and that this should be recognized internationally. Of course, the resolution was withdrawn. Numerous articles appeared in England, but more so in Canada than in England, denouncing this as a novelty, as a suggestion of secession.

It is strange how the drifting policy which we have followed for twenty-five years should have made so many of us forget the elements of our national history. As far back as 1862 the same idea was suggested in Montreal by another Irishman, it is true, but I hope this in itself does not discredit the contention. He said:

> The present is not the fittest time, nor is the hustings the fittest place, to enter fully into the subject of our colonial defences. I will only say for myself, gentlemen, what you, as my electors have a right to know, that while I am thoroughly convinced the connection with the Mother Country ought to be an object of attachment with us, second only to the love we bear to our own institutions—that while I believe next to England our duty is to cultivate a good understanding with the United States—that having these maxims to steer by, on the right hand and the left, I am still of opinion, speaking as a Canadian publicist, that some recognized international status must be found for this country which will preserve her better than any armed force, from being made the battleground of quarrels, which she can neither make or avoid.

He suggested finally—

> Some such arrangement as established the neutrality of Greece in 1831, and the neutrality of Belgium in 1839. With such an arrangement our own militia would be quite adequate for an internal defence, and Great Britain would be honourably relieved from the anxiety and outlay of her Canadian garrisons.

This was suggested in 1862 by Thomas D'Arcy McGee, who a few days later became a member of the Canadian government, and who two years later entered into the coalition government which made confederation. I find no trace in the journals or the public expressions of the day that anybody was scandalized by that. Whether agreed to or not, everybody seemed to think that it was a fair point for discussion. So much was this the case that at the opening of the next session that speech was reproduced and added to the debates of the House as a very valuable contribution to the great subject of the relations between Great Britain and Canada. More than that, when three years later Sir John A. Macdonald presented the Quebec resolution before the parliament assembled here, on what basis did he ask for the approval of the parliament and the people of Canada? That under those new terms of nationhood Canada was looking for a "permanent alliance" with Great Britain which she hoped would be reciprocated; but in the very same sentence he reserved to Canada the right to form alliances with foreign nations. Just imagine, Sir, the idea that Canada could, of her own free will, make alliances with foreign nations without regard to whether that pleased the people in London or not! That was not the saying of a striker in Winnipeg or of a French rebel in the province of Quebec who will not stand up every time or place the national anthem is sung. No, it was stated by the leader of the Liberal-Conservative party, by the chief of the coalition government which made confederation, and it was stated as the principle upon which Canada would stand henceforth in her relations with Great Britain.

Why, then, should it be improper to think and to state that in readjusting our terms of partnership with Great Britain we should come back to the sound policy that was laid down in those days by the men who succeeded in reconciling race with race, in adjusting provincial differences, in doing away with all the bitter remembrances of the past; who destroyed, both in England and in Canada, the idea that secession was unavoidable, because it was impossible to get along? It was by relying upon the sense of nationhood of the Canadian people and upon the common sense and sense of fair play of the British people that confederation was made possible. I admit it is perfectly legitimate to look to something else, to look to closer partnership, to unity of action in time of peace and war. I have no grudge against those who hold that doctrine as the proper one, but I would simply ask them and the people of Canada to think a little over the consequences.

England is a world power; she rules the vastest and most complex empire that has ever existed, not only because it covers more land and contains more inhabitants than any other human conglomeration of the past, but because it is scattered on all continents of the earth and therefore raises problems of a complexity and diversity such as no other nation has ever been called upon to consider and to solve. Surely it is a great testimony to the

political genius of the British nation, to the marvellous tradition of policy of her ruling men, whether kings, statesmen or leaders of opinion, that England could have got along, especially during the last century and a half, carrying that extraordinary burden. Let us leave aside the stock phrases about philanthropy and duty to humanity. No, the English conquered their empire for their interest first. But they rule it with genius, and administer it with perhaps a lesser proportion of injustice than any other nation. And that is saying much. So far as we are concerned, however, let us consider for a moment what it means

Take the situation of England in Europe. A century ago, England was allied with Austria and Russia to fight France; and after France had been defeated, England had a rapprochement with her, and later fought with her for Turkey against Russia, and in contradiction of Austria's interests in the near Orient. A few years later one of the wisest statesmen of England, Lord Salisbury, said that the English had ridden the wrong horse. We were not concerned with that. But if the present doctrine had prevailed then, I suppose we should have been called upon to fight against France at a certain period and with France at some other time. Then came the reaction of the sixties, when England, without actually fighting, upheld morally and diplomatically the policy of Prussia and of united Italy against France and assisted coolly in the defeat of France in 1870. It was in those days that such a wise and thorough English statesman as Lord Stanley expressed this view in the House of Lords:

> The government and the people of this country have seen with entire acquiescence, and even, I believe, with approval, the enormous aggrandisement which has accrued to Germany, or rather to Prussia.

That was three years before the Franco-Prussian war, one year after Sadowa, and three years after Prussia had deprived little Denmark of the whole of Holstein and a part of Schleswig. I am not saying that the British were wrong. I am merely pointing out how complex a situation exists in Europe, and showing that British statesmen must change their policy according to the circumstances, the needs and the interests which they are obliged to meet. But it does not follow that we should acquiesce, especially to the point of being prepared to shed blood and contribute money every time they choose to alter their policy.

About ten years later, Great Britain stands alongside Germany and France, against Russia, in negotiating the Berlin treaty, in preparing the way to the Balkan crisis which precipitated the last war. Then she favours the Triple Alliance against France and Russia; then she allies herself with Japan to crush Russia in Manchuria in 1905, and looks complacently upon the development of the Central Europe policy of Germany and Austria, to the extent that the Bagdad railway was first brought to the attention of Europe and of European finance by the London press. So sympathetic was England at that time to German policy as against the Russian and the French. It was in those years that Mr. Chamberlain launched his famous appeal, to the United States on the one side, and to Germany on the other, to consummate the consolidation of the Teutonic races to counteract the influence of the Latins and the Slavs. But there was a sudden reversal of policy. The moment Germany began to develop her naval programme, the moment her fleet became a menace to the sea power of England, British statesmen saw the necessity for changing their policy. I do not blame them for that But what was the result? The result was that in less than five years the astounded world saw England, France, Russia and Japan allied against Germany, Austria and Turkey. The war being over, we again see England preparing for a reversal of policy to side with Germany and Italy against France and the Balkan countries. Again, I say, I do not blame her. On the contrary, I think her statesmen are very wise and far-seeing.

At the beginning of the war when our newspapers were filled with denunciations of the wild Huns, with the darkest pictures of the horrors that would befall Canada, should Germany win the war, I had the advantage of meeting an accredited English publicist, with the best letters of introduction that could be had from the British authorities. I asked him what he expected would be the result not, of course, of the war—he did not know any more about that than I did—but of British policy after the war. I wanted to find out from him what he thought would be the next turn in that policy. "How is it", I asked him, "that the sentiment in Great Britain against Germany has grown so suddenly?" He answered: "For the simple reason that we discovered that they were getting better than ourselves at our own game." I asked him what he meant. "I mean," he said, "at the game of settling colonies and building navies. They are improving upon us in this game and we will not let them get the better of us." I asked him further what England would do in relation to Asia Minor after Germany had been crushed. I did not know then of the secret treaties under which Sir Eward Grey, our spokesman, the spokesman of the empire, had

given a free hand to Russia over Turkey, including Constantinople, and had agreed with the French government in one month to hand over a certain piece of territory to Greece and the next month to Italy, the difference being that in one treaty the same territory was called North Epirus, to satisfy Greece, while in the other it was described as South Albania, to please Italy. I asked this gentleman what he thought England's policy would be after the war. In reply he declared that the moment the end seemed imminent, just before Germany was crushed, England would form an alliance with Germany to keep Russia down. I said, "Do you think you will bring the French to agree to that?" He replied, "They will have to agree, for if they don't we will isolate them." That was practically five years in anticipation of the policy which began to assert itself in Genoa, which asserted itself still more clearly in London and also at Lausanne, and which was apparent, with a slight modification, at Geneva this year. But wait until next year.

Once more, I repeat, I do not blame England. For their own good and for the good of Europe, British statesmen have changed their policy after each war. As Mr. Lloyd George said on one occasion, "My attitude at Genoa was exactly the attitude of Lord Castlereagh at Vienna. Just as Lord Castlereagh prevented Austria and Prussia from crushing France, because England's interest did not lie in the direction of crushing a great nation, so I do not want France to crush Germany." That, I say, is good policy, inasmuch as it makes for the peace of Europe and of the world. For that reason I have, time and again, to the great scandal of some of my friends in the province of Quebec, praised the policy pursued by England after the war, because it conduced to peace. But after this war is forgotten, we should be careful of England's policy, because then, it will likely lead us into another war; and that, not because England wants war, but because, in view of her enormous possessions, it is imperative that she shall remain mistress of the seas. England so long as she remains mistress of the seas over which is flung the greatest empire that has ever existed, is bound to go to war to crush any nation that threatens her naval supremacy or her colonial power.

Well, we are a young nation with a population little larger than that of the city of London, scattered over a territory as vast as Europe. Is it, then, socially right; is it politically right; is it British-like, that we should impose upon the future generations of this country burdens of empire equal to those which the people of England must bear of necessity because of England's unique situation and because of the tremendous responsibilities which she must inevitably shoulder?

So far I have been speaking only of the situation of England in Europe. Just this week I was reading a protest from the mouthpiece of the ultra-loyalist element of Cape Colony, the Cape Times, reminding the British government about Locarno:

> Great Britain is so occupied with the confused currents of European diplomacy that she has forgotten that she represents the British Empire. The British partnership is the greatest power in the world as long as it speaks with one voice, and Great Britain should speak not as a European power, but as a delegate of the empire, and refuse to be drawn into the vortex of European complications.

It is easy to say that in Cape Town, but not so easy to put it into action in London, on the borders of Europe. But this precisely opens the door to the other aspect of the situation. After all, England is a secondary power in Europe. She is a first-class power only on account of her navy. And she has her navy on account of her possessions—not for our protection, but for the protection of her water routes, to keep the avenues of trade open so as to give nourishment to her people and to bring raw materials to her industries. The day that England loses her empire and her navy, that day she would come down to about the level of Holland after that country lost its navy and practically had to rely on the grace of England and the other great maritime nations for the retention of her colonies. But nevertheless it is true that England is much more of an Asiatic power than a European, nearly as much of an American power, and of course much more of an African power than either an Asiatic or American. Well, what does that mean? It means that England in her relations with the rest of the world, with Europe as well as with her dominions, is obliged to think all the time of India, of Egypt, of Asia Minor, of Africa—painted in red from Cape Town to Cairo—of Australia, of Canada. She cannot disconnect any portion of her policy from her general situation in the world. This is an evidence of her tremendous imperial genius, but it makes a problem that is rather hard to deal with for a small growing nation such as we are with the tremendous home responsibilities that we have. Take her Asiatic and African policy; for a century at least it has been dominated by the simple fact of her possession of India. Let us look at one single aspect of that relationship—Hindu emigration to the other portions of the empire. Our friends from British Columbia, would not, I think, be prepared to agree that in order to make the government of England easier in India they should open

the doors of their province to Hindu immigration; but if they looked at the question from the imperial point of view they would see the other aspect. I remember being in London just at the time when our naval policies were so tremendously discussed here. I was asking a high official of the India office in London: What is really the best contribution that Canada could render to the imperial cause? "If you could bring British Columbia to open her doors to Hindu immigration, that would be worth all the dreadnaughts you could build in ten years." Well, that is an aspect of the imperial question. The Australians see it from another point of view. But that is not all. There is Persia, as my hon. friend stated this afternoon, there is Irak, there is Palestine, there is Egypt, there is Morocco.

But let us come to America and terminate there our review of British policy and Imperial entanglements in the last century. Strange to say—and I do not think I am boasting in saying it—I stand as perhaps the only Canadian public man who on the whole has upheld British policy as applied to American affairs. I well remember at the time of the Alaska boundary award, when I was denounced in this House of Commons as a traitor to my country because I stated that Lord Alverstone's decision was sound according to law and to fact. I still believe it. I know that numerous writings have appeared, mostly in Toronto, denouncing British diplomacy as regards Canada. I do not view it that way. Of course, we boast very much about the century of peace between this country and the United States. Undoubtedly we owe it to a large extent to the common sense of the Canadian people; but we owe it also to the common sense of the British people; and when we were accusing Great Britain of sacrificing our interests for the sake of maintaining peace with the United States, I think we were making a mistake. England was doing the only thing she could do in that respect. I never understood it better than on my second last visit in London, a few months before the war. At that time there was a great deal of discussion about difficulties in Europe, Irish affairs, and all that. We had had our two squabbles about naval policy—naval contribution as proposed by the Conservative party and a so-called Canadian navy as proposed by the Liberal party. I had an excellent occasion to get opinions on the merits of those policies from two of the most respected British authorities on naval matters—authorities whose opinions I valued much because they were generally in absolute contradiction to each other; I mean the late Lord Charles Beresford and the late Lord Fisher. Now the two old sea-dogs have gone to their reward, I hope that on the other side of the world they are not quarreling as much as they did while here, and I think I can without any indiscretion repeat exactly what they told me.

Of course, Lord Charles Beresford's opinion was well known. On the one hand, he did not believe in the dreadnaught policy. Then he had expressed himself quite openly on the Monroe doctrine as being the main safeguard of British possessions in America. But with regard to Lord Fisher, I did not know. So I went to him and asked what he thought of our two naval policies. "Well," he said, "my good fellow, I don't think much of either. Of course, if you have money to squander you may do anything you like, but if you regard it either from the naval point of view or from the national point of view for your protection, it is a great mistake. Don't make any mistake, England will never spend one penny and will never shoot one gun to defend Canada against the United States—simply because we cannot do it. It is just as well you should understand it. It would not be rendering service to you to fight the United States, either for Canada or for anything else. If you need help as against any other country, you must not count on us; you must count on the United States. If you want to make an arrangement for national defence, don't come to London; go to Washington." "Well," I said, "that would be very ill received by our super-patriots and imperialists in Canada." "Ah," he said, "are you so foolish as that in Canada? Don't you realize that the whole world's policy is based on inter-dependence? I think we British have some degree of national pride, and yet we rely upon the French army to fight for us against Germany, just as France relies upon our navy to fight against the German navy, just as in times past Germany relied upon us to give her money to fight against France. The whole of the world's relations is based on interdependence. How can you imagine that you, a small nation of nine million people scattered over a country as large as the continent of Europe, alongside a nation of a hundred and ten million people, can count upon the support of a fleet in Europe,—the main use of which is to keep our sea routes open—to defend your own land against the richest and most powerful country on earth? Of course, I repeat that if you have money to squander, throw it in the water if you like; it does well there from a sentimental point of view. We cannot stop you, but really we do not need your money; you had better keep it at home."

So I came back convinced that in opposing any such policy, while I might be styled a traitor in Canada, there might still be a few men in England, whose names are connected with England's power and glory, who have enough British common sense to understand that Canada should look on her own situation as Great Britain looks on hers.

I thought that was sound advice then, Sir, and I think it is sound advice now. Why do we not come to a reality? Why do we not come back to the old principle which was so strongly enunciated by Sir John A. Macdonald, and later by Sir Charles Tupper? There is no man I know of in our Canadian history who resented so strongly as Sir Charles Tupper the accusation that Canada was a sponger upon the British nation because she did not contribute to the maintenance of the British navy and army. I know of no Canadian and no Britisher who ever brought out so strongly, and with such explicit facts, the evidence that by building up our territory, by bringing in population, by being peaceful here and making Canada strong we were making our best contribution to the British Empire. That was the way I looked at things twenty-five years ago and I confess that it is still my view. It seems to me there is no harm in asking the Canadian people to look over these things, to compare the policies pursued in late years and what they have cost Canada, with no real profit to Canada and the empire, with the results obtained by the humbler but more practical policy enacted by constructive statesmen of sixty years ago, who based all our relations with Great Britain upon the sound principle that each country should look to itself and leave the British statesmen to look after the general affairs of the empire.

These ideas are growing; they are having a rebirth, so to speak, in the minds of many people. A year or so ago, I think, Sir Clifford Sifton, once a member of the Liberal party and another time an ally of the Conservative party, whose policy may be open to discussion on many issues, but whose common sense and keen mind no one will dispute, put that problem before the people of Toronto in as clear and unequivocal a manner as it could be put. It is not so long ago that an English imperialist, one who knows much about Canada, Mr. Percy Hurd, in the House of Commons in England, reminded the English rulers that they should not forget that Canada has interests in America which are not the interests of Europe, and that Australia has interests in the Pacific ocean which are not the interests of Canada.

Now, Sir, our connection with the British Empire may last long or may terminate abruptly. For my part I stated twenty-five years ago, at the time of the South African war, and I state again to-night with the same conviction, that I am not longing for secession. I believe we need for a long time, not the protection of Great Britain; I do not think Great Britain can afford us any protection that we are in need of, but I prize the association with Great Britain. I repeat, without any idea of offending members of this House or anyone of English stock, that I appreciate that link with Great Britain in a certain degree more than they can, because it is an appreciation based on study and on reflection; it is not the voice of blood. You cannot expect the French-Canadians to love the British; why should they? But you may expect the French-Canadians at all times to appreciate their connection with Great Britain. For my part I appreciate it more, perhaps, than a great many other French-Canadians, because I have frequently been in Great Britain and have, so to speak, imbibed the atmosphere of British political life. And why have I been so often in trouble in this country? It is because I have persisted in thinking that I could have the same freedom of thought and language in this country as is enjoyed in England, and I propose to stand by that contention. I believe the association with Great Britain is needed by us for a long time, in order to help in developing our minds to the same broad standard of individual and political liberty. I believe the association with Great Britain is a great help to us if we view it in the right way, and if we act upon it with the same British spirit of self-determination and self-respect. But I repeat, Sir, that it is not by playing the servile worshipper of everything English that we are going to benefit by that association. On the contrary it is by standing up in the face of Great Britain, not in a defiant attitude but in an attitude of self-respect and virile admiration, asserting to Great Britain that there are certain matters upon which we can agree with her, and that there are other matters upon which we cannot agree, because they have interests which are not the same as ours and because we have trusts to perform and to hand over to generations to come with which neither the Englishman nor the Australian can deal for us. We have a duty to perform by Canada; the Australian has a duty to perform by Australia, and the British have a duty to Great Britain which no other country can accomplish. If we only revive these principles, these elementary truths in the minds of the people of this country or in the other portions of the

empire, I am quite sure that this great problem of inter-imperial relations will soon be solved.

Therefore, Mr. Speaker, I do not propose to vote for the motion of the hon. member for Winnipeg North Centre (Mr. Woodsworth). I think, with all due respect to him, that it is rather narrow in its wording. On the other hand I will not associate myself with those who denounce him for bringing forward the motion. Whatever be the wording, I consider that the hon. gentleman has rendered service to this country and has done his duty in proposing this motion. But I would respectfully suggest an amendment to the motion, seconded by the hon. member for Battle River (Mr. Spencer), which is as follows:

11 p.m.

That this be referred to the select standing committee on Industrial and International Relations for consideration and study, with power to invite expert advice, such committee to report to the House during the present session.

I suggest, for example, that that committee invite such men as Mr. Ewart, Sir John Willison, Sir Robert Falconer, Mr. Skelton, Under Secretary of State; men holding various opinions on this problem, who would come and give us their view of what some would call the imperial solution and others the national solution, and even the solution of independence. Why should we be less free in our minds than the men of sixty years ago? Are some hon. members of this House so afraid of their loyalty that they cannot hear anyone proclaim Canada's right to independence, as our forefathers did? In order to show my spirit in proposing this amendment, I would suggest—not as a motion but as a mere suggestion to the committee—that, in the opinion of this House, Canada is not bound by any obligation assumed by the government of the United Kingdom, in matters of foreign policy, unless and until the government of Canada, duly authorized by parliament, expresses its adherence thereto.

Mr. MEIGHEN: I do not rise to address the House on the motion, nor yet on the alleged amendment, but to take exception to the amendment as no amendment at all. It is not an amendment to a motion to move that the motion go to a committee.

Mr. SPEAKER: That was my opinion when the hon. member moved his amendment. According to rule 45, there is such a thing as a motion to commit a bill or question. It reads as follows:

A motion to committ a bill or question, until decided, shall preclude all amendment of the main question.

[Mr. Bourassa.]

Then the instructions to the proposed committee might be made the subject of another motion, no notice being required. If the hon. member would amend his motion, it would be preferable, because as it stands I shall be obliged to declare it out of order. Under Rule 45, the hon. gentleman should simply move that the question be committed to the committee on Industrial and International Relations. But his motion having been put, the mover should now get the leave of the House to withdraw it and move another one. Is it the pleasure of the House that the hon. gentleman shall have leave to withdraw the motion I read a moment ago?

Mr. MEIGHEN: Ordinarily I would not object, but now that it is to be followed merely by a motion to commit this to a committee, I do take exception.

Mr. SPEAKER: The amendment has been declared out of order, as contrary to Rule 45. I suggested that the hon. member should move another one in conformity with rule 45. There is nothing now before the House.

Mr. MEIGHEN: The main motion is before the House.

Mr. SPEAKER: Except the main motion, of course.

Sir GEORGE PERLEY (Argenteuil): Mr. Speaker, at this late hour I shall not speak very long, but I would like to say a few words on this resolution.

In the first place, I take exception to the form of the resolution. I think I might make the same comment on it that the hon. member for Winnipeg South Centre (Mr. Kennedy) did. I do not see how we can be called on to pass a resolution refusing to accept a responsibility when we have never been asked to accept it. I have another objection to the resolution, and that is that it raises indirectly the question of the future status of this Dominion, whether we are to stay out of the empire or not. I think a question of that importance should not be raised in this indirect way. It seems to me that if a matter of that kind is to be discussed it should be brought up by the government and some statement of government policy be given on the subject, in order that we may have a proper debate carried on from day to day, and that everybody may have a chance to express his opinion.

The hon. member for Labelle (Mr. Bourassa) has spoken to us a long time this evening on a great many subjects. May I suggest to him that when he is discussing a matter of this kind—really an important problem—he ought not to go over the whole past history of this

Dominion? As a matter of fact one is not surprised that he should remember with pride some of the things in the history of his ancestors, but the fact remains that we are now in the year 1926, and, as he said at the end of his speech, many things happened during the war. Precedents were created. Sir Robert Borden took a stand for this country which has never been equalled by any other Canadian statesman, a stand which resulted in our being recognized in every way as a nation having complete authority in all matters, not only of domestic concern, but in regard to outside questions affecting us as well.

Remarks have been made again this evening about our autonomy. Somebody said that it was absolutely unfettered and complete, a quotation, if I remember rightly from Mr. Asquith. The time has long since passed, Mr. Speaker, when any effort is being made in the Old Country to bring pressure on us, and no such effort will be made. No statesman over there would for a moment suggest that any pressure should be brought to bear on this country, and there is not a man in Canada, so far as I know, who would give up in the slightest degree our powers and our rights of self-government. Those things are all settled; we have got them; we are going to keep them; they are acknowledged by everyone; so why raise the question here? Why take up the time of this House in killing a dead horse?—for that is really what a great deal of this discussion amounts to.

The question before this country to-day and the empire is this: Can we so arrange matters that six independent countries shall work together in matters of foreign affairs and common concern? I am going to criticize this government for not taking some steps that I think they might have taken to help us along with this problem; and that could be accomplished by continuous consultation with the Motherland and with the other parts of the empire.

As I understand it, the great bulk of the people of this country want to continue our connection with the British Empire. The hon. member for Labelle this evening left me in a bit of a doubt. When he commenced his speech he said that he desired that the connection with Great Britain should be preserved, but when he came toward the end of his speech I could not make out where he stood, and I do not know now whether he thinks we should be independent or should continue as part of the British commonwealth of nations. However, the Prime Minister of this country, speaking in this House on June 9, 1924, stated his position. After pointing out that there were three avenues of political development, he said:

> For my own part, I believe that the future of this Dominion will be happiest and best, most prosperous, and in every way most to the good, if its development is along the line on which it has been thus far, towards a fuller recognition of national status within that community of free nations which comprise the British Empire.

He went on to say that the imperial parliament was not a possible thing, and an imperial council was a thoroughly bad thing. I entirely agree with him in both these statements, and in the idea that our best chance for future development lies within the British commonwealth of nations. But what has the Prime Minister done, and what has the government done, to try to bring that about? What have they done to further our relations with the rest of the empire?

In connection with our desiring to remain a part of the British Empire, I want to read from a statement which quotes a remark made by General Smuts, a man of as great ability, I think, as anybody I have ever known. It quotes General Smuts as follows:

> The empire was a priceless blessing and was to-day, with American abstention from the league, the main force supporting the advance of great human causes and ideals in the world. The maintenance of solidarity and a united front were therefore essential.

If we are to maintain the British commonwealth of nations we shall have to have more consultations from day to day than we have at the present time. We have to find some way, in between the Imperial conferences, by which we can have this consultation which is absolutely essential to our getting on together and seeing eye to eye in regard to matters of foreign affairs and common concern. As to the necessity of that and as to the feeling that people in England have on the subject, I want to read a couple of extracts. In the first place, Mr. Austen Chamberlain, when he brought in the Locarno treaty, referring to the Dominions, said:

> Their liberty and freedom of action are safeguarded specifically under the treaty. It is recognized that only their own governments, acting with the authority of their own parliament, can undertake for them the obligations that we are asking the House of Commons to undertake for Great Britain, but we hope that we may discuss this matter fully whenever the next Imperial conference is set up, and that that Imperial conference may not be too long delayed. I do not think that it is possible to treat matters of this great consequence, covering so wide a field, by dispatch or cable across thousands of miles of ocean. For a true appreciation of the position personal contact and personal explanation are necessary.

Now Mr. Chamberlain states a truth which we all know, namely, that you cannot discuss intricate and delicate matters unless you are

face to face with the men with whom you are dealing. In connection with the same matter he said:

The Dominions could not be committed to obligations without their assent, but he earnestly hoped that not only might those negotiations not be an obstacle to future co-operation, but that they might excite in every government of the empire a keener desire to find a machinery by which our foreign policy could become in every act and at every hour the foreign policy of the empire and not of this country alone.

In other words, statesmen over there would welcome some method by which we should have continuous communication or consultation between the different parts of the empire, a method by which the government here would be constantly informed through their own representative about what was happening over there. That representative would have no plenary power, but he would act in such a capacity the government would know from day to day exactly what was happening every hour as they cannot know from cables or letters. A number of thoughtful articles appeared in the London Times last year on this subject, and I should like to read an extract from just one of them:

If British foreign policy is to be one which will command the approval and support of all parts it must be the outcome of collective discussion and agreement about the ever-changing problems of the international world. Unless that consultation can be brought about it is only a question of time, as recent incidents have shown, for a crisis to arise which will show opinion so divided that action is paralyzed or the unity of the empire endangered.

We are living in a very interesting age. We are making now, in the British Empire, an experiment which has never been tried before in the history of the world. Canada has complete autonomy. Nobody has challenged it, and nobody ever will. When the hon. member for Labelle states that there are people in this country whom he calls imperialists who want to have the control of affairs in Canada centred in London, I think he is making a mistake. I do not know where they are. If there are any such people, they are a negligible quantity.

Mr. BOURASSA: I do not think there is any number of people suggesting that our affairs be settled in London.

Sir GEORGE PERLEY: Centred.

Mr. BOURASSA: Oh yes, the hon. member is quite right; I do not believe that either. But I think there is a large number of people who believe that all imperial affairs, even those which concern ourselves, should be settled in London.

Sir GEORGE PERLEY, The hon. member means Canadians?

[Sir George Perley.]

Mr. BOURASSA, Yes.

Sir GEORGE PERLEY: All I can say is that there must be very few of them. They must be a negligible quantity, because most of us in this country are of one mind. All governments from confederation on whether Liberal or Conservative, have asserted the right of this Canada of ours to govern herself. and never was that right asserted more strongly than by the Conservative government during the war. If there were time to-night, I could cite several instances which came under my direct notice where steps were taken definitely to assert the right and authority of Canada in regard to her own affairs, whether they had to do with matters in this country or after our troops had left for overseas. I would also like to read, for the benefit of the hon. member for Labelle, a statement made by Lord Milner, one of the most ablest of the English statesmen, who has unfortunately passed away, regarding this delicate question. He said:

The only possibility of a continuance of the British Empire is on a basis of absolute out-and-out equal partnership between the United Kingdom and the dominions. I say that without any kind of reservation whatsoever. It is very easy to say that; but undoubtedly the working out of it in practice without bringing about the severance of relations between us and the dominions will be one of the most complicated tasks which statesmanship has ever had to face. I am not afraid of it, and yet I have to admit that the difficulties are such that our best efforts may end in failure. I hope not. At any rate, there is no other way out.

That is from a speech made by Lord Milner in England, and I heard him say it. It was a carefully made statement; it expresses the situation exactly as it stands, and I agree with every word of it.

I am one of those who hope and believe a way can be found for having the independent nations within the British Empire act together in matters of common concern in foreign affairs. I remember one Dominion day before the war when we had our annual dinner in London and I was in the chair, I made some similar remarks pointing out that the question was a difficult one, but that I believed the energies and abilities of the English nation were such that it could be solved. The hon. member for Labelle, who was present, said to me: you are just trying to square the circle; you are trying to do the impossible. I am still of opinion that by care this question can be solved, but before it can be solved the government of this country should take the proper steps to see that we have some system of continuous consultation with the people of the rest of the empire.

I did not read the whole of the Prime Minister's remarks of June, 1924, but I take

it for granted we all desire to remain as part of the British commonwealth of nations, and I am starting with that assumption. If that is so and if we are to avoid breaks and make the thing work, we must have some other method of consultation. From a business point of view it is idle to think we can get along under the present system. When I came back from England—naturally I took much interest in and heard a great deal about this question—it was my pleasure to call upon the present Prime Minister and to talk the matter over with him. He has always been most courteous to me, but I am going to charge him now with exhibiting either indifference or neglect with regard to this important matter. He gave me all the time I wanted to talk the matter over and to explain my feelings in regard to it. I had ideas of my own as to how the plan ought to be carried out, but that is a secondary matter. All I want to press home to-night is that some way must be found of continuous consultation among the various parts of the empire if it is to hold together. It is impossible to imagine our going on as we are now with the possibility at any moment of some serious question developing. The inaction of the government in this respect has brought us into difficulties on several occasions. The despatch about Chanak would never have happened if there had been any system of consultation by which somebody close to the government had been in London and could have talked these matters over with the foreign secretary or the Prime Minister and have been given access to them for that purpose.

Mr. MACKENZIE KING: I do not wish to interrupt my hon. friend, but I think he knows, with respect to the Chanak communication that came from the then Secretary of State for the Colonies, that even the members of the British government had not had a cabinet meeting in regard to it. They did not know anything about it and they repudiated the message afterwards. So I fail to see how, even if we had had a representative in London, we should have had a word to say about it.

Sir GEORGE PERLEY: I accept what the Prime Minister has said. I thought there was some dispute about that subject; it was not very definite whether it happened or not.

Mr. MACKENZIE KING: The late Mr. Bonar Law said—I do not remember the exact words he used—it was taking a big chance with the whole imperial structure for a communication of that kind to be sent without a consultation between the different members of the government. I think the present Prime Minister of England has also made it quite apparent that one of the reasons he left the Unionist ministry was because of the way in which that despatch was sent out.

Sir GEORGE PERLEY: Did Mr. Churchill not state that the cabinet had been consulted?

Mr. MACKENZIE KING: No. I think he claimed the then Prime Minister, Mr. Lloyd George, had knowledge of it, but I do not think he said for a moment all the cabinet had.

Sir GEORGE PERLEY: Whether that is correct history or not has really nothing to do with the argument I am trying to make. If it did not happen in that case, it happened in some others. Perhaps Lausanne would be a better example. At any rate I simply want to make that argument. I am firmly convinced that if the government really want to find a way of making independent nations within the British commonwealth work together, they must help provide some system of consultation which will be continuous. Backing that up, I read another extract from the Times article:

> If the Dominions and Great Britain then find themselves unable to work together we shall at least know that the empire has perished because there is a real and unbridgeable gulf between the opinions of its parts. But it is at least permissible to believe that, despite all changes in status, they will succeed, in the future as in the past, in working together, if only they are provided with means for understanding the international problems with which they have to deal.

In conclusion, I may say that I have spoken many times in London on themes similar to this. I have tried to put before the people there our feelings and desires in Canada and the fact that some way must be found by which Canadians shall have something to say about the foreign affairs of the commonwealth of nations. Never have I found anybody who did not acquiesce and agree with that. As for the method, may I say to the Prime Minister that I am sure the statesmen of Great Britain would welcome any plan put forward by the government of this country to bring about this consultation? It was suggested at one time during the war that there might be a representative of the Dominion government in England, either a minister or some official who would have access to the Prime Minister of Great Britain, and a resolution of the war cabinet was passed in 1918 which provided that, in order to secure continuity in the work of the Imperial War Cabinet and a permanent means of consultation during the war on the more important

questions of common interest, the prime minister of each dominion should have the right to nominate a cabinet minister, either as a resident or as a visitor in London, to represent him at meetings of the Imperial War Cabinet, to be held regularly between plenary sessions. That authority was never taken advantage of, and I urge as strongly as I can on the government of the day that they give this matter their consideration and that, instead of the inaction which has characterized them during the last four years, they undertake in earnest to find some way by which the different parts of the empire, so far as Canada can bring about that result, may consult continuously with a view to obviating any possibility of friction or of serious difference of opinion.

Mr. PARENT: When representations were made in this matter by the hon. member, was he a member of the cabinet?

Sir GEORGE PERLEY: It was when I was about to resign my position as High Commissioner in 1922; I came back to Canada and consulted with the Prime Minister before actually putting in my resignation. Now, I submit that this is too serious a question to be brought up in the form of a private member's resolution, and I take exception to the method that has been adopted. It seems to me that if we are to discuss the matter we should do so on a motion by the government, with a statement of their policy. For these reasons I move the adjournment of the debate.

Motion agreed to and debate adjourned.

On motion of Mr. Mackenzie King the House adjourned at 11.37 p.m.

Tuesday, March 23, 1926

The House met at three o'clock.

EASTER ADJOURNMENT

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

When this House adjourns on Friday March 26th instant, it stand adjourned until Tuesday April 6th next.

He said: Before the motion is put, may I say to hon. members of the House that the government has no intention of pressing this motion, unless it meets with approval on the part of hon. members. The motion has been made because the government has reason to believe that to most of the members it would be a convenience to have an adjournment of ten days, which we would have if this motion carries, rather than to be obliged to come back for two days and one-half during that period of time, thereby breaking the adjournment of ten continuous days which would otherwise be possible. The custom has been to adjourn on the Wednesday afternoon before Easter, the House sitting for half a day on Wednesday, and then adjourning until the following Tuesday. I have had occasion to look up the record and I find that in the years 1917 to 1925 the practice has been to adjourn on the Wednesday. Monday and Tuesday are full days and Wednesday half a day. If this motion does not carry, members will be obliged to come back for two days and a half the following week. If the motion carries it will be possible for hon. members to leave the city on Friday night of this week and remain away until Tuesday of the week after next. The government, in view of what has been communicated to its members, has thought that, with that feature drawn to the attention of hon. members, the motion would probably meet with general approval. However, the purpose of presenting the motion at the moment is rather to call forth an expression of the views of hon. members, and if the views of hon. members appear to be against the motion, I would ask that it stand.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): As far as I am individually concerned, and as far as my own convenience goes, the motion would suit me very well, but the members on this side of the House, especially those from the far west and far east, are, if I may be permitted to speak their minds as indicated to me, strongly against this motion. Their reasons are chiefly their anxiety to get on with the business of the session, and added to that there is the fact that the business of the House seems to be a joke to hon. members opposite. There is also the fact that we have just had quite a long recess of about ten or eleven days during which most of the members, I think, availed themselves of the opportunity of returning home, and naturally they do not feel like inviting another opportunity to go back home, spending most of the time, as is necessary, on the way. For these two reasons, the feeling on this side of the House would be against the motion, and I would suggest that, if it is not dropped, it stand, until perhaps a further conference could be had.

Mr. ROBERT FORKE (Brandon): Personally I would prefer to have the adjournment. It seems to me that out of the ten days there would be only two and one-half

days during which we could really be doing any work in the House. I would like to have gone west. If there is any strenuous opposition to the longer adjournment, I am quite willing to bow to the will of the majority, but we would only lose two and one-half working days out of the ten days. The adjournment would be broken by Saturday and Sunday, the legal holidays intervening, and it would be only two and one-half days longer than the regular adjournment. During that period there are, of course, five legal holidays. It seems to me it would be to the convenience of all hon. members to have the adjournment for ten days. I think the government have had adjournment enough. They have had two weeks. I have had to remain in Ottawa as have a great many other hon. members. At the same time if there is anything to be gained by it I would be in favour of the longer adjournment. Seeing that only two and one-half days during which we could do any business would be lost, I think hon. members would be well advised to vote for the ten day adjournment. I am quite willing to stay here or I am quite willing to go home.

Mr. L. J. LADNER (Vancouver South): This is an occasion when I wish to say a word or two. I was not able to return to Vancouver during the previous adjournment. I think the public at large and members generally are anxious to get on with the business of the country, for there is a good deal to be done. I myself have a copyright bill which I should like to proceed with and I would urge upon the government the wisdom, even if we have only two and a half days, to let us use all our time in getting some work done. It might mean some personal inconvenience to hon. gentlemen who would like to return to their homes, but that should not stand in the way of public business.

Mr. HARRY J. BARBER (Fraser Valley): As one who took advantage of the last adjournment I may say that I spent ten days in travelling, having only two days at home. To hon. gentlemen in the far west and east who could not avail themselves of the adjournment it would mean much inconvenience: they would have to remain in Ottawa until the re-assembling of parliament. I think that those hon. members from Ontario and Quebec, who have easy access to their homes, should have some consideration for others who come from a distance. We are anxious to proceed with the business of the country, and we hope to make the session as short as possible. We are looking forward to the other end of the session, and we would rather work now. I for one am very much opposed to a further adjournment.

Mr. MURRAY MacLAREN (St. John-Albert): The Prime Minister (Mr. Mackenzie King) has asked for an expression of opinion regarding the duration of the adjournment at Easter. My right hon. leader (Mr. Meighen) has represented the views held by many hon. members sitting on this side of the House, and personally I would wish to emphasize this point, that this is a longer Easter vacation than usual. Let us bear in mind the previous adjournment of eleven or twelve days which we had very recently. In the light of that vacation I submit that the proposed adjournment should be as short as possible, rather than one which will be longer than any we have had in the last five or six years.

Mr. MACKENZIE KING: As I intimated a moment ago, it is not the desire of the government to press the motion at all. If I act on the suggestion which has been made to allow it to stand until Thursday, the whips might confer among themselves in the meantime. Let me make it clear that the government is as anxious as any hon. member on the opposite side to proceed with the business of parliament, but we have felt that in matters relating to the procedure of the House there may be occasions when mutual accommodation would also help to expedite business. As to what my hon. friend has just said about the proposed adjournment being longer than usual at Easter, he will recall that parliament assembled this year earlier than is customary. The House met early in the month of January, and for that reason the period of time during which hon. members have already been away from their homes is longer than is usual at Easter. However, it is a matter of meeting the convenience of the majority of members.

Mr. W. A. BOYS (North Simcoe): Speaking from the standpoint of the convenience of members, it seems to me that, whatever is going to be done, the sooner we know what is decided upon, the better, in order that we may be enabled to make our arrangements. If the Prime Minister would permit me to interview the whips of the Liberal and Progressive parties this afternoon, we might come to some understanding and we could know the decision to-night. It would inconvenience hon. members greatly to be obliged to wait until Thursday or Friday to know what the government intended doing.

Mr. MACKENZIE KING: I entirely agree with that suggestion.

Mr. SPEAKER: Is it understood that the motion stands, to be considered again later in the day?

Mr. MACKENZIE KING: If it is possible for the government to make an announcement to-night, the motion can be formally put at the next sitting of the House.

Motion stands.

PRIVILEGE—MR. CHURCH

On the Orders of the Day:

Mr. T. L CHURCH (Toronto Northwest): I rise to a question of privilege. Last night, at the conclusion of the speech of the hon. member for Labelle (Mr. Bourassa), I rose to call the attention of the House to a certain statement that had been made with reference to myself earlier in the day by the hon. member for Winnipeg North Centre (Mr. Woodsworth), in which he misquoted a speech which I had delivered in Toronto. The hon. member referred to certain remarks of mine as rightly quoted by the hon. the Solicitor General (Mr. Cannon) at page 67 of Hansard of the present session, and further put into my mouth these words:

> Had we had autonomy we should not have entered the war.

I never used these words. I have nothing to retract from what I said on that occasion but inasmuch as the hon. member omitted the qualifying text of my speech I desire to quote rather extensively from a report of it. Parenthetically, I may observe, Mr. Speaker, that I would not have risen on this occasion were it not that I was prevented last night from making the explanation when I had a perfect right to do so in view of the fact that I had the floor beyond any dispute. The hon. member for Labelle had moved an amendment which was not seconded, and which it appears was not in proper shape, and he had gone to the clerk's table to have it redrafted as I presume and went around looking for a seconder. I therefore had the floor and I was prepared to make the present explanation then. What the hon. member for Winnipeg North Centre said was not altogether correct. He quoted only one sentence and at that not as to the text. I should like to read the following extract from the speech I gave at Toronto in order to make my position clear. I quote:

> I am opposed to separatism, changing Canada's status and autonomy. We are proud that Canada is an integral part of the greatest empire the world has ever known. The war has not changed Canada's status. What she has done in the past thirty-five years she has done of her own free will and voluntarily

> Canadians have good reason to know that the national status of Canada was a good enough status for more than 400,000 Canadian soldiers to fight for. Canada's present national status in 1914 was a good enough national status for over 50,000 Canadians to die for. That status was good enough for fighting Canadians like the Canadians of St. Julien, The Orchard, Courcellette, Vimy Ridge, Passchendaele and many another field of battle. That status should be good enough for talking Canadians and writing Canadians. The British Empire and the British navy are our friends. The socialists who would wreck the British Empire and the pacifist who would weaken the British navy are our enemies.
>
> I stand on the platform of our late beloved leader, Sir John A. Macdonald, when he said: A British subject I was born, a British subject I will die and I will never see General Election become commander-in-chief of the British forces or take the place of the British fleet to protect our shores. I have more faith in the sentiment expressed by the writer of "Ye mariners of England" and all it stands for than I have in the Monroe doctrine, the League of Nations, or any other similar debating society to safeguard Canada's shores in the future should trouble ever come again, which God forbid.
>
> Canada is not going to be talked out of the British empire, if it could be done, the hon. member from Labelle and the two gentlemen who call themselves the so called labour party—the whole party and nothing but the party would have accomplished this feat long ago. They are but a vest pocket edition of J. Ramsay MacDonald and his ideals. "Something has been said about holding elections and going to the country for endorsation before sending troops from Canada to participate in Britain's wars. So far as the Toronto sixteen regiments and units are concerned, no legislation nor no election nor no conscription act will be necessary. They will do their duty for the Empire as each separate exigency occurs the same as they have always done in the past."

This and the quotation appearing at page 67 of Hansard is what I said. I am glad to have had this opportunity of explaining my position in the matter.

Mr. SPEAKER: In justice to the hon. member, I may say that I did see him rise last night to address the Chair, but he did so at a moment of suspense. The hon. member for Labelle (Mr. Bourassa) had just concluded his speech with a motion which was improperly drafted, and through the courtesy of the House I allowed him some time in which to have his amendment correctly worded. For that reason I intimated to the hon. member for Toronto Northwest that the hon. member for Labelle still had the floor; otherwise I should have been only too pleased to let him interject his explanation at that moment.

TRANSFER OF PRISONERS

On the Orders of the Day:

Hon. J. W. EDWARDS (Frontenac-Addington): Is it the intention to transfer some eighty prisoners from Portsmouth to Stoney Mountain penitentiary? If so, will the

prisoners be ticketed, as on a former occasion, through the Canadian National Railways office in Ottawa, or will the minister issue instructions that the prisoners be ticketed through the Hanley ticket agency of the Canadian National Railways at Kingston, where the business originates, where the entraining takes place, and where the agent of the Canadian National Railways can and must give his personal supervision to the details of the work?

Hon. ERNEST LAPOINTE (Minister of Justice): I will make the necessary inquiry and give the information to my hon. friend to-morrow.

LOCARNO TREATY

On the Orders of the Day:

Mr. PETER McGIBBON (Muskoka-Ontario): Mr. Speaker, I should like to ask the Prime Minister about what time the House will have the privilege of discussing the Locarno treaty; also, if he could let us know what the government's attitude is towards it.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, if it is the desire of hon. members to have an early opportunity to discuss the treaty, it can be arranged. But I think I am correct in saying that in any event the Locarno agreement does not go into effect until after Germany is admitted to the League of Nations; it is now quite apparent that this will not take place until after September, so any immediate haste for discussion of the agreement is, I imagine, removed. However, if hon. members wish to have an early date set for its discussion, the government will be very pleased to make the necessary arrangements immediately after the Easter recess. As to the government's attitude regarding the treaty, it will be expressed at that time, if so desired.

INTERIM SUPPLY BILL

Hon. J. A. ROBB (Minister of Finance): Mr. Speaker, I should like to have the usual unanimous consent to go into supply in order to put through the Interim Supply Bill. We are now approaching the end of the fiscal year. I notice my hon. friend from West York (Sir Henry Drayton) is not in his seat. I had a conversation with him, and while he was not prepared to consent to put through the customary supply bill of one-sixth, he did say that he would offer no objection to one-twelfth.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I understand that the hon. member for West York has agreed to raise no objection to a vote of one-twelfth of the entire supply applicable to each item. Of course, it is passed on the usual understanding that there is no commitment to any single vote or to the principle of any vote.

Mr. ROBB: Quite so.

COMMITTEE OF SUPPLY

Mr. ROBB moved that the House go into committee of Supply.

Motion agreed to and the House went into committee, Mr. Duff in the chair.

Mr. ROBB moved:

Resolved, that a sum not exceeding $15,934,291.06, being one-twelfth of the amount of each of the several items to be voted as set forth in the Main Estimates for the fiscal year ending March 31, 1927, laid before the House of Commons at the present session of parliament, be granted to His Majesty, on account for the fiscal year ending March 31, 1927.

Mr. MEIGHEN: Should there be an exception of the items already voted in toto?

Mr. ROBB: No, this is the customary practice.

Resolution reported, read the second time and concurred in.

COMMITTEE OF WAYS AND MEANS

Mr. ROBB moved that the House go into committee of Ways and Means.

Motion agreed to and the House went into committee, Mr. Duff in the chair.

Mr. ROBB moved:

Resolved that towards making good the supply granted to His Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 1927, the sum of $15,934,291.06 be granted out of the consolidated revenue fund of Canada.

Motion agreed to.

Resolution reported read the second time, and concurred in. Mr. Robb thereupon moved for leave to introduce Bill No. 14 for granting to His Majesty a certain sum of money for the public service for the financial year ending March the 31st, 1927.

Motion agreed to and bill read the first and second time.

Mr. SPEAKER: When shall the House go into committee on the bill?

Mr. ROBB: Is my right hon. friend willing that we should proceed in committee?

Mr. MEIGHEN: The member for West York is not here.

Mr. SPEAKER: Next sitting of the House.

Mr. MEIGHEN: I do not think the right to sit again to-day was reserved. Perhaps it was an oversight.

Mr. MACKENZIE KING: It was understood that later in the day we would go on with supply.

Mr. MEIGHEN: Yes, but the right to sit this day?

Mr. SPEAKER: Yes, I said so.

CANADA-WEST INDIES TRADE AGREEMENT

The House resumed from March 19 consideration in committee of the resolution of Hon. Mr. Robb respecting the Canada-West Indies trade agreement, Mr. Duff in the chair.

Mr. CAHAN: As the agreement in question is of very considerable interest to the city of Montreal, whose board of trade have taken a great deal of pains to consider that matter, I would like to place before the committee one or two considerations. In dealing with a trade convention with the West India islands, I am not speaking without some knowledge and experience of the conditions there. I have lived in British Guiana on several occasions for many months at a time; I have been on the islands of Trinidad and Tobago on several occasions for months at a time, and I have also been to a number of the other islands, for the purpose of investigating financial and trade conditions and commercial possibilities there for certain clients. Therefore, I personally feel disposed to make every reasonable concession on the part of Canada in order to improve our trade relations with those people, colonies of Great Britain, who are like ourselves under the British crown. Personally I do not think this convention will secure for Canada a very much larger trade with the West Indies than we have enjoyed under the convention of June 1920. Nevertheless, as the government have entered into that convention, there are strong considerations why we should approve of it if it is at all possible, in the public interest, to do so.

It seems to me that at this stage the government are bound, before we are called upon to approve of that convention, to state very clearly to the House what it will cost Canada. In respect of the convention of June 1920, which called for services both to the eastern and to the western groups of islands, we are told by the Minister of Finance (Mr. Robb) that it was found impossible for Canada to live up to that agreement. Now when a new convention is negotiated we should know definitely whether Canada can live up to this second substituted agreement, and what it will cost the treasury of Canada if we do live up to it.

In respect of the first convention of 1920 the government must have on file complete statements of what the cost of that service would have been if it had been carried out as originally intended. This House should be fully informed of what that cost would have been; how high the cost was, and what were the insuperable difficulties in the way of the government carrying it out since they came into office in 1921. We agreed under the 1920 convention to give to the eastern group of islands, a steamship service consisting of a weekly mail, passenger and freight service, and we gave instead a fortnightly mail, passenger and freight service by subsidizing the Royal Mail Steam Packet Company. On each alternate week we gave a service restricted to freight through the medium of the Canadian Government Merchant Marine. As to the western group, we agreed to give a fortnightly freight, mail and passenger service to the Bahamas, Jamaica and British Honduras. We did furnish a service every third instead of every second week, and provided no cold storage, as had been in contemplation. We now agree to give not a service once every three weeks, but a fortnightly passenger, mail and freight service consisting of larger and faster steamships, and therefore a more expensive service by far than was proposed in 1920. We also now propose to give on alternative weeks a fortnightly freight service with cold storage, with a subsidiary line for freight sailing from Jamaica to Honduras every two weeks. Therefore there is no doubt in my mind that the proposed service to the western group of islands under the convention now before the committee will prove a far more expensive service than that proposed in 1920, which the government, in the interests of the country, found it impossible to carry out.

Mr. MEIGHEN: Is there not also this difference, which I think should be interjected, that the cold storage service guaranteed in 1920 was only as business warranted, whereas now it is absolute?

Mr. CAHAN: Quite so. The service from 1921 to 1925, performed to the extent which I have noted, has, I understand, proved very unprofitable indeed, and this is true with respect to the present time and recent months. I am informed, and I think quite reliably in-

formed, that only 40 per cent or 50 per cent of the cargo space of the steamships employed at these infrequent intervals has been taken up. Therefore the new service which is proposed depends to a large extent, it seems to me, upon the successful prosecution of the banana trade with Jamaica.

When this convention was being negotiated the council of the Montreal Board of Trade wrote a letter, through their secretary, to the then Minister of Trade and Commerce, Hon. Thomas A. Low, in which they set out that all the people in Canada engaged in commerce are very desirous of having improved reciprocal trade relationships with the West Indies. But they state, under date of June 16, 1925::

With regard to the suggestion that the Canadian government should build new ships for the West Indies service, the council would strongly oppose any such scheme at the present time, believing that the existing trade conditions and the enormous burden of debt under which Canada is suffering, together with its already serious transportation problems, render exceedingly ill-advised the expenditure of any considerable sum of public money on a project, the profits from which are at least problematical.

I might be allowed to say, with all deference to the hon. member for North Bruce (Mr. Malcolm), who discussed this question the other day, that undoubtedly the West Indies were represented by very able and experienced men. I have had many years experience with the officials of those governments, and a few years ago, but not now, I knew nearly every prominent merchant in those islands. They are very able and experienced men, and they came to that convention, undoubtedly, knowing exactly what they wished to obtain, and they were dealing with men who very largely were ignorant of the conditions in those islands, and not sufficiently informed, I think, to deal with the matter so as to protect to the utmost possible extent the interests of the treasury of Canada. But, we are told by the hon. member for North Bruce, the representatives of the government acted very largely upon the advice of those West Indian representatives, and in reading the report of those negotiations I find that those gentlemen from the West Indies dealt very frankly with the representatives of the government, and they did not pretend that any very large increase in the exportations of Canada to the West Indies was likely to be obtained under the convention which they then proposed. However, after this latter convention was negotiated, the council of the Montreal Board of Trade passed this resolution, which I understand was also brought to the notice of the government. I quote:

The council regrets that the negotiators of the agreement did not accept its suggestions concerning the steamship services, and fears that the heavy commitments on this account may provoke such opposition as to render it impossible for parliament to sanction an agreement which includes provisions of some value to the trade between this country and those other portions of the empire which are parties to it.

More recently I am informed that the board of trade, under date of March 3rd, received from its own sub-committee which was investigating the prospects of trade under this new agreement a report, in which it is stated:

That, in respect of the commitments on account of steamship services, the agreement far exceeds the recommendations made by your predecessor—

That is the predecessor committee of the board of trade:

—and in the opinion of your committee it is unlikely that the increased trade which will result from the very considerable extension of the mutual preferences provided by the agreement will, at any rate for some years, warrant the heavy cost of the improved steamship services proposed;

That, notwithstanding the financial burden undertaken by Canada as referred to in the foregoing paragraph, your committee is strongly of opinion that, considering the serious effects upon the West Indies and other colonies concerned and upon the trade relations of the empire, of a failure on the part of Canada to ratify the agreement negotiated in good faith by the duly accredited representatives of all the parties thereto, the said agreement should be approved by parliament without delay;

That, in thus urging the approval of the agreement, your committee does not recede from its former objection to the building of vessels by the Canadian government, being still unalterably opposed to any extension of government ownership or operation of steamships, but it hopes that the provision of the additional steamship services necessary may be secured by means of subsidies to private lines, thus minimizing the burden on the heavily taxed citizens of Canada.

Mr. Chairman, I do not concede personally that parliament is bound to ratify this convention simply because the representatives of the West India islands have in good faith negotiated the convention, always subject to the approval of their own councils and legislatures and subject to the approval of the Canadian parliament, but, on the other hand, I do admit that the government of Canada having negotiated the convention, no slight objection on the part either of this House or of the country should defeat the confirmation and approval of that treaty if the costs of the services to be provided are at all commensurate with the advantages which Canada would receive by putting the treaty and the auxiliary steamship services into operation during the term of the treaty, the next twelve years.

I quite appreciate that dealing with the representative men of the West Indies, it is desirable that we should support the government's action in negotiating the treaty if it is at all practicable for us to do so, because

on the part of Canada I personally would rather see some financial sacrifice than to disclose to them by the vote of this committee and of this House that the government which negotiated this treaty did it through incompetent officers and representatives, and negotiated it without having first carefully ascertained what the cost would be to the public treasury of Canada.

On the 8th of March of the present year the council of the Montreal Board of Trade placed their final views before the right hon. leader of this government in a letter written by the secretary of the board, in which they say:

I have the honour to communicate the views of the council of this board on the question of the ratification by the Canadian parliament of the Canada-West Indies Trade Agreement, 1925, as follows:

On 16th June, 1925, just prior to the meeting of representatives of the Dominion and of the West Indies and other colonies interested, at which the agreement was drawn up, the council of this board submitted to the hon. the Minister of Trade and Commerce certain recommendations with regard to provisions which in its opinion should be embodied in that agreement. These recommendations included one to the effect that this country should go to the utmost possible limit in the granting of reductions in its tariff in favour of the West Indies, as well as very definite suggestions as to the necessity of keeping the expenditure on steamship services at the lowest possible minimum, and above all the council voiced its strong opposition to any proposal that the Canadian government should build new ships for this service, pointing out that the enormous burden of debt under which Canada is now suffering, together with its already serious transportation problems, render exceedingly ill-advised the expenditure of any considerable sum of public money on such a project.

To the great regret of the council the agreement as negotiated involves very heavy commitments on account of steamship services.

While still unalterably opposed to any extension of government ownership or operation of steamships, the council nevertheless believes that failure on the part of Canada to ratify the West Indies agreement, negotiated in good faith by the duly accredited representatives of all the parties thereto, and since ratified by all those parties with the exception of this Dominion, would have the most serious consequences, and it therefore urges the ratification of the agreement by parliament without delay.

The council cannot refrain from expressing the hope that the government may find it possible to secure the necessary additional steamship services by means of subsidies to private lines, rather than by launching into an expensive programme of shipbuilding, believing that thereby the additions to the financial burden on the already heavily taxed citizens of this Dominion would be minimized.

Now it is all very well for the council of the Montreal Board of Trade to submit the opinion that under the circumstances, in order to maintain the good reputation of the government of Canada with those with whom it negotiated this convention, we should endorse the expenditure of untold thousands, yes of millions, without having before it definite details as to that cost. Although I concede to no man, to no member of this committee, a stronger desire to maintain friendly and profitable commercial relations with the West India islands, yet I do not feel that as a representative, even of the city of Montreal, I should vote blindly in favour of the approval and confirmation of this later convention, unless we have from the Minister of Finance, or from the Prime Minister, or from some other of his ministry—the Minister of Trade and Commerce for instance—a clear and precise statement of what in their opinion, backed up by the best information which they can obtain, the carrying out of this convention will cost the country for the next twelve years. I have seen, and have at hand, a report of a committee of the Board of Trade of Halifax in reference to this matter. I know well the gentlemen who are on that committee. I know that they are competent business men who have had a large and varied experience in steamship matters, and especially in the matter of trade with the West India islands. Their good faith in making the calculation which they do cannot be questioned by anyone in view of their standing in the commercial community, and they estimate that the capital expenditure alone upon this steamship service may reach a total of $9,550,000 if the government undertakes to buy the ships and to operate them as a part of its mercantile marine. Therefore, Mr. Chairman, I suggest that it is due to this committee, and to the House, and to the country, that the government should give us a complete statement of its policy—whether it intends to enter upon this large capital expenditure, or whether it intends to subsidize independent steamship companies to carry out these services. I quite appreciate the remark made by the hon. Minister of Finance the other day, that in view of the fact that tenders have been asked for it would be inexpedient on the part of the government to make an announcement as to what its definite policy was, or as to what the proposed cost of the services would be, until such time as these tenders may be received. But, Mr. Chairman, the delay in asking for tenders in respect of a convention made in June, 1925, is not due to any member on this side of the House. It is due to the undoubted fact that the members of the government have been much engaged since June, 1925, in their political propaganda leading up to the general elections of October 29, last, and since that day they have been deprived of their political and intellectual head and of his

[Mr. Cahan.]

direction in the matter. We are not responsible for that, and before you ask us, as intelligent and honest members of this committee and of this House, to approve of a convention which may entail this enormous expenditure of money we are entitled to have the full facts placed before us; and if, owing to the fact that tenders are still being called for, the government does not feel in the position now to give us that information, certainly it should postpone, or be willing to postpone, the further definite consideration of this convention until after the Easter holidays when the tenders in question will have been received.

Personally I desire to suport the convention if I possibly can, but I am not going to support it at a cost of $9,500,000 of capital expenditure to this country. We desire full information too, because other matters of very considerable importance are to be brought before this House involving very large appropriations of public money, and I for one am not going to oppose large grants from the public treasury to the west and to the centre of Canada, and then turn round and vote for equally large or larger appropriations for services which are less valuable to the country, simply because the city of Montreal may be interested therein. As an honest and, I think, fairly intelligent representative I want to have the full facts stated to us so that there may be no deception—I am not saying that in an unpleasant way—so far as we are concerned. We must be fully informed and

4 p.m.

be in a position to vote intelligently on this matter. I put it to the Minister of Finance, who has a reputation to sustain as a competent and experienced business man if he would submit to any board of any corporation, of which he may be a director and official, an agreement of such a character and ask them to take it blindly without knowing, with a very considerable degree of definiteness, the actual expenditures that would be involved in the corporation carrying out such a project. He could not maintain his reputation as a competent business man by so doing. Therefore, I think that as we are to have some sort of an adjournment during the coming Easter holidays this matter should be deferred until the committee and the House may be fully informed as to the extent of the financial obligations they are undertaking by approving this convention, and may be able to determine each member for himself whether, having regard to our sentimental interest in the West India islands, our sentimental and political desire to co-operate with them effectually and fully and at the same time conserve the interests of this country, we are justified in voting the very large amount from the public treasury of Canada which the present convention will undoubtedly entail.

Mr. MacLAREN: I wish to take this opportunity of referring somewhat briefly to the matter under discussion, the Canada-West Indies agreement. Many of us have followed the discussions in the House during the last five years, and several of us have taken part in those discussions. Whether one approves of the present treaty or whether one disapproves, I believe all are in accord on this point: that there is great need of an improved service of ships between Canada and the West Indies, a better modern class of boats, better passenger accommodation, better facilities for freight and for cold storage. There is another point on which I believe we will all agree, and that is that it is necessary to observe the fulfilment of the treaty between the West Indies and ourselves. A very decided complaint has been made regarding the method in which Canada has performed its obligations under the treaty. I believe it is correct to say that it is necessary to maintain at, least, the conditions at present, or there must be some other change. I present these two points; a better transportation service in many respects and a fulfilment of the conditions that have been laid down in the present act, or as may be promised in the proposed act. Then there is the third point, and surely we will agree upon that; that it is necessary for us to move on and search out to increase our trade with the West Indies. Whether the future is a great one, or whether it is not so great the fact is there is much left for Canada to do in increasing the West Indian trade so that these are the three main features on which I believe the members of this House all agree.

Let me say a word on a few points arising in this discussion. I think there is some misapprehension amongst some hon. members of this House as to the terms of the present treaty or agreement. First of all, let me say that to-day all imports coming from the West Indies to Canada can pass through the United States on the same terms as if they were entering Canada directly. It is true there is a provision that on six months' notice Canada may insist or may require that imports come direct to Canada, but that provision is not enforced and never has been enforced Many members in this House will remember that this matter has been pressed on the government for several years, and a feature of this

agreement that one must recognize with satisfaction is that the government has incorporated in it and propose to enforce the requirement that all imports from the West Indies come direct to Canada. That is one of the favourable features of the treaty. Another point I wish to make is, that with reference to the imports from the West Indies at the present time, the statistics do not represent accurately, or even fairly, the amount of business we do with the West Indies. Most strikingly is this true with regard to bananas. At the present time a large quantity of the bananas imported into Canada is obtained through the United States. They may be West India bananas and they may not, but they are credited as an import from the United States. The United States does not grow bananas, but in the method of compiling customs statistics the import is credited to the United States, because our bananas are purchased and paid for there. I point this out because all bananas, whatever the amount may be, that are got from the United States, to almost the entire extent, appear as imports from that country, whereas, really they may be indirectly imports from the West Indies. Then there is the further point that under the preference provided for, it is reasonable to expect that a large part of the import of bananas will come from the West Indies direct. To that extent the benefit of a treaty with the West Indies, will be apparent because instead of importing through the United States, we can reasonably look for a very considerable increased importation through our Canadian ports.

Let me refer to the question of the quantity of bananas, because one may reasonably ask, can Jamaica, which is the principal island for the growth of this fruit, supply Canada with bananas? To give an illustration of the enormous amount of this fruit that is imported into the United States, let me say that in the year 1924, 47,000,000 bunches were imported into that country. In 1924 Canada imported 2,000,000 bunches from the United States, to the value of $4,500,000. From the British West Indies direct we imported only 7,000 bunches at a value of $14,000, a marked contrast between the imports of bananas from the West Indies and the imports from the United States. In 1924, Jamaica exported a total of almost 12,000,000 bunches of bananas. Our requirements were about 2,000,000. It is therefore clear that there is ample production of bananas in the West Indies to supply Canada, but it is not clear at the moment whether the bananas that come into Canada actually come from the West Indies. Some no doubt do, others do not; there is no customs return that will decide that point. But the important factor is that they will come to Canada from the West Indies under favourable conditions, and one would hope that this trade may be added to the business that is now going on between Canada and the West Indies.

There is a further point that should give us a favourable view of our future trade with the West Indies. It is this. We know that the business that we have has grown up largely without the assistance, or at any rate, with the very limited assistance, of trade agents. We have been informed in this House that the United States have trade agents scattered all through the islands of the Caribbean sea while it is a fact that the number of Canadian agents is extraordinarily few. I would suggest to the government therefore that, whatever agreement may be arrived at in the future, the matter of trade agents should should be carefully considered and due attention paid to their employment, inasmuch as the trade must depend to a considerable extent on the work of these agents. It is encouraging, in my opinion, to reflect that the trade which we have had during the past few years has been almost independent of the activities of agents.

There must always be a start in movements of this kind, and a start has been made in the development of our relations with the West Indies. The trade has never reached any great proportions, however. Is it not reasonable to expect that our relations with the British West Indies will lead in the future to trade with other West Indian islands that are not British, as well as with that portion of the continent which is known as Central America? These fields naturally should and I believe would, open up as the result of a well defined policy of West Indian trade.

On the other hand, consideration must be given to the adverse views held in relation to the proposed treaty with the West Indies. One must pay regard to the opinions of Canadian West Indian merchants, and we should defer to some extent to the views of the various boards of trade which are interested in the prosperity of this country. There are a number of important merchants in Canada who disapprove of conditions of the proposed treaty, and I am aware that the Halifax board of trade has pronounced strongly against its terms. I hold a copy of that board of trade's decision on this question and I have no doubt other hon. members have also received copies. A similar report was

published two or three years ago and was concurred in by the council of the St. John Board of Trade. It is necessary to refer to these things because they must receive consideration. These reports may represent very valuable opinions.

Now what is the outstanding objection to the treaty as proposed? The objection is the enormous cost which it is said it will entail. My own personal attitude towards the treaty is a favourable one. Of course, I do not think it proper to take too optimistic a view of it, and I believe that possibly such a view was held by the late member for Cumberland, who was tremendously interested in the subject. Probably his views were too optimistic; I do not consider the West Indian trade an eldorado for Canada. At the same time there are those who hold too pessimistic a view of our future trade with the West Indies. I believe there is room for substantial growth in that trade, perhaps not to any enormous extent, but something tangible and worth while.

How can one decide in a matter of this kind? It is contended very forcibly that the future business between the two countries is not sufficient to warrant our going into any very heavy expenditure. We must be careful therefore in promoting this trade agreement; we must make some reservation in forming our opinions on the subject. I would suggest therefore that, before we come to a final decision in the matter, as close an estimate as possible be given to the House as to what cost will be involved in carrying the treaty into effect. I do not want to scrutinize the cost too closely, but it should not be excessive. There is however something more than a mere commercial arrangement in such a treaty. We are carrying on or we should carry on, relations with another portion of the empire, so that not only is there the commercial aspect of the treaty to be considered; there is also the national responsibility which I think we should regard. We must have further details with regard to the expense that will be entailed. It may be that later on in this debate, or when the matter comes down in the form of a bill, that information will be largely supplied.

There is one other point to which I would refer here. I notice that there is a provision giving the Canadian government power to call at any port other than those specified in the agreement. Perhaps at some stage the Acting Minister of Trade and Commerce (Mr. Robb) will give us the full information on that point, as to whether the treaty may include ports in the United States or elsewhere.

Mr. ROBB: My hon. friend's attitude indicates a fair understanding of the future possibilities of trade with the West Indies and neither his suggestion nor that of the hon. member (Mr. Cahan) is unreasonable, namely, that at some time before the bill receives its third reading we should be in a position to give to the House information as to the cost of the subsidies. I would be inclined to accept the proposition of my hon. friend from St. John (Mr. MacLaren), and if the resolution was passed and the bill introduced we might very well leave it for second reading until we were in a position at least to say to the House what the tenders amounted to. But I think every hon. member, had he the responsibility that I have now of seeking tenders and keeping the subsidies down to the lowest possible point for the benefit of Canada, would hesitate to give information which might be a guide to the tenderers as to how they should present their figures. My hon. friend from St. Lawrence-St. George has referred to the great ability of the West Indian business man. I admit all that. But he has nothing on the shipping lords of the world, who are looking about for fat contracts, and have a way of putting their heads together and deciding where and how they will tender. I know that at the moment I am in the hands of those gentlemen, and I think my hon. friend will agree with me that it is not wise to disclose any information which would be of advantage to them.

Mr. CAHAN: If my hon. friend will allow me—I understand that fully, and I have no objection at all to his withholding any information until tenders are received.

Mr. ROBB: I am glad my hon. friend realizes that. I am sure were he sitting over here he would adopt my attitude. I notice my hon. friend has quoted some resolutions from the council and secretary of the Montreal Board of Trade. These gentlemen apparently blow hot and cold according to who happens to attend the council meetings. Now, I am a member of the Montreal Board of Trade and of the Montreal Corn Exchange, and the gentlemen I meet at the board of trade for the most part are generally in favour of the West Indian treaty. Like my right hon. friend opposite, they say that the negotiating of this treaty is one of the bright spots in the record of this government. But I know there are other members of that board who possibly are tendering for this subsidy, and they would like to know what is the government's idea respecting it. Of course, they are perfectly right in seeking to place themselves in an advantageous position.

In reply to what has been said, I should like to remind the committee that we did not go into this matter without estimates. I confess frankly that we have estimates of what the subsidy is going to cost, and any person who has so far estimated on it is very wide of the mark. In addition, we have an estimate from the Halifax Board of Trade that would not lead anyone to imagine that it is going to cost the great sum of money that some people seem to think likely; and the members of the Halifax Board of Trade at least should know something about shipping. I do not know that they would object so very much to what it is going to cost if they only knew who was going to get the subsidy. I think that interests them more than the cost.

Mr. HANSON: I do not think the minister is doing himself or the West India committee of the Halifax Board of Trade justice when he makes that statement.

Mr. ROBB: I am not going to revive old stories and refer to any of the past subsidies, but I have in my hand a report by the royal commission of which Lord Balfour of Burleigh was chairman, made in 1909. Perhaps hon. gentlemen would like to know what that commission thought about some of the gentlemen who then enjoyed the subsidies and about the sort of ships they had on that route. The commission referred to them as something like old curiosity shops, for which they were getting a pretty good subsidy.

Mr. HANSON: One hundred thousand dollars a year.

Mr. ROBB: I did not say whose ships they were.

Mr. HANSON: We all know whom you mean.

Mr. ROBB: We are not going to subsidize antiquated ships. We need good, modern vessels for our West Indian trade, and the government desires to secure a service not only satisfactory to the people of Canada but also to the people of the West Indian islands.

A few moments ago my hon. friend from St. Lawrence-St. George, who has had some experience in the West India islands and down south, expressed doubt whether we could increase our trade with the islands; and I gathered that he also thought there were other people who could have made a better treaty, that in fact the government of the day went into it blindly. Now, Mr. Chairman, we did not go into this arrangement so blindly as my hon. friend imagines. For many years, under different governments, we have had in the service of Canada experienced trade agents. These agents had been travelling through the West India islands for something over two months gathering information as to trade possibilities, and when we met these gentlemen in conference we had the advantage of that information. They are experienced men with no axes to grind, and they went as our trade missionaries to spy out the land and the sea. Then we had also the experience of another gentleman who sat in as one of the delegates representing the islands, although he is a Canadian. No one will say that the interests of Mr. Macaulay of the Sun Life Insurance Company are greater in the West Indies than in Canada. He has extensive interests throughout the whole Dominion, and should at least be a real Canadian missionary. He certainly knows the West Indies very thoroughly, and his judgment should be of some value. He does not quite agree with my hon. friend from St. Lawrence-St. George. But we did not need to take the advice of any of those gentlemen, for we have cold statistics of the trade of the West India islands. I placed those figures on Hansard when the bill was presented to the House, and my hon. friend will find them at page 1730, showing the purchases of the West India islands and the small percentage that Canada enjoys. Then if he will turn to page 1731 he will find the increased tariff concessions that we obtained from the islands. So if we cannot get their business with the preference they have granted us, then the Canadian business man will not display those qualities that he has manifested in going out and securing trade in the other parts of the world, because Canadian export business has grown very rapidly in the last few years.

I repeat, I will not press this resolution, but if my hon. friend agrees to make progress we might pass the resolution and introduce the bill, which we could give second reading, and then allow it to stand until we open the tenders, when we will be in a position to tell the House just what they contain. But I take it every hon. member agrees with me that it is not wise at this time to disclose any information that will adversely affect Canada's interests. I am glad that my hon. friend from St. Lawrence-St. George agrees with that view.

Mr. KAISER: Are there no particulars in which this treaty may be modified?

Mr. ROBB: I think it must be accepted as it is or rejected. That is the agreement with our friends of the West India islands. Most of their legislatures have already ratified the agreement. To keep good faith with them I think we should accept the treaty just as it is.

Mr. RYERSON: Mr. Chairman, I do not desire to make any general criticism of this treaty at the present time, for the reason that I am in favour of the policy of trade treaties between the sister dominions as a means of bringing them closer together in commercial relations. But I do maintain that in the framing of such treaties every care and every caution should be exercised to see to it that our commitments are not too large, and that they are in proportion to the benefits that we are to receive. In the framing of this treaty I fear the government have been misled in important matters, and all my criticism is directed against that part of the programme dealing with the importations of bananas and the banana carrying business. I believe the government have been misled in this matter and have attached altogether too much importance to the possibility of diverting to our Canadian ports the large banana carrying trade which comes to us now, almost entirely through United States ports.

I claim, Mr. Speaker, to have some knowledge of this business, and of the difficulties of transportation, refrigeration, storage and the distribution of this fruit, and I state frankly to this House that I do not believe the plan to divert this traffic to Canadian ports feasible or practical. I am not going into detail as to why that is my opinion, but if permitted I will read a few extracts from a report of the Halifax Board of Trade, dealing with this matter, which is in the possession of many hon. members.

Where then can the increased traffic to warrant the expenditures be expected to come from? The only remaining article suggested is bananas and a great deal has been said about them at the conference. The agreement provides that all bananas imported direct into Canada from British possessions shall be entirely free of duty and that all coming from or through a foreign country shall pay a flat duty of 50 cents per stem or bunch. For the fiscal year ending March, 1925, Canada imported 2,464,925 bunches. Of these 100,000 came to the Maritime provinces, 2,059,369 to Quebec and Ontario, 303,396 to the prairie provinces and 133 to the Yukon. The greater bulk of these—2,118,000 bunches were imported during April to November or eight months of the year.

Presuming that the ships as proposed are provided, they could carry 240,000 bunches per month. The importation during the month of May was 317,847; June, 360,369; July, 444,154; August, 376,274, showing that during these months a considerable quantity would have still to come through the United States to satisfy the demand or more tonnage provided for that period and during the remaining months of the year, December to March inclusive, the costly ships proposed for the service would be required to operate carrying from 70,000 to 130,000 per month with a capacity of 240,000 bunches. It is not hard to see how the operating losses would pile up during that period.

The above is based on the presumption that all the bananas used in Canada would come by the ships proposed for the western service from Jamaica to Canadian ports but this is not at all likely to occur. Owing to the perishable nature of the bananas the shortest route and quickest transportation is necessary to avoid loss by deterioration, therefore all the bananas used in western Canada and possibly some used in Ontario are brought by steamer to Mobile or New Orleans, a two or three day voyage, and shipped to destination by rail, and the rail haul is shorter than from Canadian sea ports to similar points, creating a saving of six to seven days in the sea voyage and a possibly lower railway freight; is it not reasonable to assume that the saving in freight and lesser deterioration will offset the duty of 50 cents per bunch and admit that the bananas for western Canada will continue to move that way? This would leave 2,000,000 bunches to be imported direct by the proposed steamer. The first question that occurs to us is, "Who is going to operate the business?" Will the Jamaica growers or merchants form a company to load the ships, establish a selling and distributing organization in Canada and sell to the Canadian dealer on as suitable terms and conditions as they buy at present? If so, the problem would be simplified and even though by virtue of their control of the business they would probably derive the whole benefit of the duty imposed on bananas of 50 cents per bunch, when imported via the United States, the proposal would have some little merit if it increased our exports to Jamaica. But if we know the Jamaica growers and merchants that is not likely to happen—they want to sell their bananas to somebody in Jamaica for cash and take no risks of the market conditions in Canada.

Now, Mr. Chairman, I would ask the committee to take particular note of article 13. This article deals largely with the inauguration of this service, which is to deal practically with the banana situation. It would seem to me that the entire plan is linked up with this banana business, and a large part of the cost of equipping these steamers will be devoted to that purpose. Steamer service is to be provided for storage and refrigeration for 70,000 bunches, and freight service for 50,000 bunches. The important point—and I direct the attention of the committee to it—is that if the government fail to secure this traffic, a good deal of this expenditure will have been wasted, and the revenue which they expect to receive will have been lost. I claim that before this matter is intelligently voted upon we should have some statement from the government as to just how they propose to carry on this business.

I would like to ask the Minister of Finance (Mr. Robb) a few questions in connection with this particular part of the treaty:

1. What information was available in reference to this industry, when the treaty was negotiated? Did they have reports from experts, or first-hand information from those

connected with this business here in Canada, such as dealers, transportation companies or distributors?

2. Where they fully informed as to the extremely perishable nature of this fruit and the great difficulties of distribution without heavy loss?

3. Were they advised of the fact that less than one-third of the total imports of bananas to the United States and Canada came from the West Indies, and that these West Indies imports were desirable only at certain seasons and for certain markets?

4. What arrangements or plans do the government propose as to the importation and distribution of this fruit? Will the government go into the importing business themselves, or have they in view some corporation or company that will take on the job?

5. Was any information supplied dealing with previous efforts to divert this traffic by transportation companies or other corporations or individuals?

6. Did they have any knowledge of the fact that millions of dollars have been expended by large corporations in the industry in experimental work, in growing, handling, refrigeration, transportation and distribution of this fruit, and that inspection stations are maintained at all important junctions, and a messenger service established which watches carefully the temperature of every car of bananas en route to its destination, and that the most satisfactory plan of distribution is based upon the shortest haul and quickest delivery from steamer side to centres of distribution?

I will send a copy of these questions over to the minister.

Mr. ROBB: I will see them in Hansard to-morrow.

Mr. RYERSON: I do not wish to discourage this treaty at all, but I simply want to point out that there is very great danger of the government not satisfying themselves as to the feasibility of this project. Personally, speaking from an experience of thirty-five years, I do not believe that you can divert more than a small proportion of that traffic. Undoubtedly, if proper steamers could be put on this route, a certain portion of the traffic could be diverted to Quebec, and a portion of Ontario and of the Maritime provinces might be served, but I know that you never can supply the west, and you never can supply northern Ontario from our Canadian ports. This is knowledge that I have gained by experience. But if the government are properly advised in the matter, and if they still can formulate plans for proper distribution, I believe it will be satisfactory to the trade.

[Mr. Ryerson.]

Mr. ROBB: I will look over the questions which my hon. friend has submitted and which will appear in Hansard to-morrow. May I just now say to him that I have greater faith and confidence in the management of the Canadian railways than he apparently has. Anything that has been accomplished by the United States railways in distributing this fruit can be equally as well done by the managements of the Canadian railways.

My hon. friend has referred to the fact that at the present time the banana trade enters Canada largely through Mobile and New Orleans.

Mr. RYERSON: No. May I correct the minister? I did not make that statement. That statement was in the Halifax report, and it is a very big mistake. The larger proportion of the bananas that come into the United States and supply Canada come to Baltimore, Philadelphia, Boston and New York.

Mr. ROBB: That is just what I was going to say. My hon. friend has placed on Hansard a record which says that those bananas largely come in through Mobile and New Orleans, but he has now corrected that statement himself. He knows that the trade comes in through New York, Baltimore, Philadelphia and Boston, and the United States railways get the long haul. I say very frankly that we purposely provided in this agreement that the benefits of this trade in and out should centre upon Canadian ports, so that Canadian ports and Canadian transportation companies would have the advantage of the business, and I believe they will be able to handle it. My hon. friend who is in the business doubts that. He seems to think the price will be cut and the trade continue to come in through United States ports. Very well, if it does, Canada will get out of that business one and a quarter million dollars annually; they will pay the duty, that is all there is to it.

As to refrigerator space, I would point out that we require cold storage for our southbound traffic as well. If we are going to ship our dairy products down there, we must have refrigeration. My hon. friend from St. Lawrence-St. George (Mr. Cahan), who says he has been down there, and any other hon. gentleman who has been in the West Indies must have seen the lady going about with a tray of fruit on her head, and must have observed that while the vendors here sell oranges, down there they are selling apples. There is a good trade for apples in the West Indies, and we must have refrigerator space for our apples as well as for our dairy products.

Mr. RYERSON: The Minister of Finance (Mr. Robb) has said that our large transportation companies such as the Canadian Pacific and the Canadian National can well be trusted to handle this business. I would ask him to make inquiry and find out if the Canadian Pacific Railway Company did not endeavour eight or ten years ago to do the very thing this government is now endeavouring to do, and fell down on it. I ask him to make inquiry and satisfy himself.

Mr. ARMSTRONG (Lambton): Mr. Chairman, I do not wish to be understood as being opposed to the development of trade within the empire, but I am opposed to treaties being entered into without a proper investigation first being made as to the effect these treaties will have upon industries in our country that will be vitally affected by them. I called the attention of the Minister of Finance the other night to one important industry in my county and in adjoining counties, the sugar beet industry. The minister knows that the refineries established in that part of the country will be seriously interfered with by this treaty. This treaty allows the Canadian Government Merchant Marine to carry the products of the West Indies to the refineries of Halifax, St. John and Montreal, but the refineries that are eight or ten hundred miles inland will be very much handicapped in transporting their raw material over that great distance. The refinery at Vancouver is in a similar position. It is not likely that this government will attempt to carry the products of the West Indies around through the Panama canal and on to Vancouver, and therefore the refinery in Vancouver, as was pointed out by the hon. member for Vancouver Centre (Mr. Stevens) the other evening, will be seriously handicapped. This is an industry of great importance to this country. Let me just place on Hansard a few figures in regard to the sugar refineries located in this country. The statistics of the sugar industry in Canada for the calendar year 1924 are presented in a report by the Dominion Bureau of Statistics, which shows that the number of factories reporting operations during the year 1924 was seven, located by provinces as follows:

Province	Number of Factories	Located at
Ontario..	2	Chatham and Wallaceburg
Quebec..	2	Both in Montreal
New Brunswick.. .	1	St. John
Nova Scotia..	1	Dartmouth
British Columbia .	1	Vancouver

Then here are some figures as to the capital invested, number of employees, and so forth:

Capital invested..	$46,000,000
Employees on salary..	834,000
Employees on wages..	2,565,000
Total..	3,399,000
Cost of fuel..	$ 1,400,000
Cost of materials..	55,000,000
Value of products and by-products.. ..	67,000,000
Value added by manufacturing..	12,200,000

That goes to show the importance of the refining end of this industry.

Now the total cost of materials—and I should like the minister to pay some attention to this statement—fell from $61,800,000 in 1923 to $55,000,000 in 1924, due to the decline in the market price of raw cane sugar and of sugar beets. I have tried to call the attention of the minister—

Mr. ROBB: I am following my hon. friend.

Mr. ARMSTRONG (Lambton): —to the effect of the lowering of this price and what it meant to the farmers interested in the production of sugar beets. The average price per hundred weight of raw cane sugar laid down in Montreal fell from $7.63 per ton in 1923 to $5.65 in 1924, while the price of home grown sugars manufactured from sugar beets fell from $12 per ton in 1923 to $5.87 per ton in 1924. I mention these facts for the purpose of impressing upon the minister at least, the serious effect this lowering of the duty on raw sugar coming into this country from Australia and New Zealand is having on the sugar beet growers of Canada.

Mr. ROBB: I do not want to interrupt the argument of my hon. friend but may I say this to him: There has been no change in the duty that has affected the price of beets.

Mr. ARMSTRONG (Lambton): That may be, but the minister must admit he is increasing the preference.

Sir HENRY DRAYTON: If my hon. friend will allow me, I think the minister is wrong; there was a decrease in the duty.

Mr. ROBB: There was a decrease in 1923.

Sir HENRY DRAYTON: Yes that is when it occurred.

Mr. CHAPLIN (Lincoln): And another by means of the Australian treaty.

Mr. ROBB: When did it go into effect?

Mr. CHAPLIN (Lincoln): In October.

Mr. ROBB: It has not gone into effect and will not do so until this treaty becomes operative so far as Australia is concerned.

Mr. ARMSTRONG (Lambton): The minister admits the fact that in 1923 there was a reduction in the duty on refined sugar of one-half a cent per pound. The very next day the sugar beet growers in western Ontario—and there are tens of thousands of people interested in the production of sugar beets—had the price of their sugar beets reduced fifty cents per ton. As a result of that reduction the people in the counties adjoining the district in western Ontario where I live lost many hundreds of thousands of dollars. The minister now says that the preference will not be entered into as far as Australia is concerned until the present agreement between the West India islands and Canada becomes operative. Then, if I understand the matter correctly, as soon as the treaty with the West Indies goes into operation a similar trade arrangement between Australia and Canada will become effective. These treaties will allow the raw products of the sugar from Australia and the West Indies to enter Canada at a lower price than they have ever entered before thereby competing with the product of the growers of sugar beets in my part of the province of Ontario. Such being the case I have good reason to protest against entering into any such arrangement as the present without the minister first investigating the needs of the industry affected. I should like to ask the minister whether he really did make an investigation before bringing down this treaty in order to find out what effect it would have so far as the producers of sugar beets in Canada are concerned? Perhaps the minister would like to answer that question at a later date, but let me say to him it is a matter of vital importance to our people.

I have already drawn the attention of the government to the position of sugar refiners. The minister has already been shown that there will be a loss of revenue of at least one million dollars, and that the total obligation to be shouldered by the people of Canada in connection with the investments involved here and in other matters, will reach a total of some $10,000,000. What are we to get in return for this treaty? I cannot do better than repeat the statement which was made in this connection by the hon. member for Halifax (Mr. Black) on Friday evening last:

5 p.m.

The West Indies get large quantities of fish from their own waters. In that connection I should like to read this extract from the report of the conference with the West India delegates. The vice-chairman is questioning Mr. Leacock, a delegate from Barbados.

"The Vice-Chairman: Your suggestion is that the preference given now is sufficient?

"Mr. Leacock: Yes, as far as we are concerned."

[Mr. Robb.]

Mr. Leacock says further:

"The Vice-Chairman: Before you sit down, Mr. Leacock, do you think it well to say something about what you can give to Canada?

"Mr. Leacock: Well, that is a very difficult point of view for me to touch upon, because, as I say, Canada has the entire flour trade with the exception of what she cannot supply; she has the entire oat trade of our colonies, the entire oatmeal trade of our colonies, et cetera. Our manufactured goods come very largely from the United Kingdom, and the only article, as it appears to me, that we could encourage in trade with Canada by an increased preference, is the item of salted meats, which could be turned over to Canada, and would probably go over quicker if you got an increased preference. That is as far as I can see as far as Barbados is concerned."

What he says applies not only to Barbados but to all the islands of the West Indies and to Bermuda.

If that represents the total increase in trade we may expect from this treaty surely it is not worth the enormous sums of money which Canada will be compelled to pay. The minister must realize the fact that labour in the West Indies is the cheapest kind of labour in the world, that a large portion of the population in those islands,—as has been already stated here—represents the second lowest type of civilization on the face of the globe, and that it is practically impossible for us to expect to develop trade to any greater extent than is now taking place. We protect our manufacturers from cheap labour; why not protect our farmers?

I wish, further, to draw the attention of the minister to the fact that the people in my district, at any rate during the last season, in order to find a market were compelled to ship nearly 200,000 tons of sugar beets to the United States, and that those farmers making the shipment were not only compelled to pay the freight to the sugar refineries but also an excise duty of 80 cents per ton at the border before their sugar beets could obtain admission into that country. What encouragement have these farmers to build a sugar refinery in the face of treaties such as we are entering into at this session of parliament? I have called the minister's attention to the fact that in my own home town the farmers, with their organization of over four thousand members, gathered together $200,000. Our town granted them a large site and built a railway siding into the plant. They commenced to build the plant and spent over $200,000, and there it stands. But instead of those farmers receiving encouragement for the development of their industry, the minister now takes advantage of that treaty to interfere materially with the future development of the industry. When the minister reduced the duty on refined sugar by half a cent a pound, the farmers were compelled, as I said, to accept fifty cents per ton less on their sugar

beets. If a farmer produced sixteen tons of sugar beets to the acre, he was then compelled in 1924 to accept eight dollars per acre less for his product. When these treaties go into effect, how much less will he receive, and what encouragement is there for the farmers to proceed to develop this industry? It is a basic industry of our country, one in which we should all be vitally interested. The western provinces have been able to demonstrate the fact that they can grow beets up there successfully. They have built a refinery, as I understand, and are trying to carry on, but what encouragement have these men to continue in the development of that industry, if we are to enter into treaties that will undermine it from year to year? We are only producing 10 per cent of the refined sugar that is necessary to feed our people, and there are many opportunities for the development of this industry in Canada.

I desire to place a few questions on record, and I should like the minister to be good enough to send me answers to these questions before the treaty is proceeded with. My questions are as follows:

1. What is the duty per pound at present on raw sugar similar in quality to the raw sugar taken from sugar beets coming into Canada from the West Indies and Australia separately, and what will the duty be on said raw sugar when the treaty between Canada and the West Indies now before parliament is consummated?

2. What was the duty on same grade of raw sugar previous to the reduction of duty on this product in 1923?

3. How many vessels of the Canadian Government Merchant Marine operate between Canada and the West Indies?

4. What was the amount lost in operating these vessels each year since they have been placed in that service?

5. What subsidies, if any, were paid in years 1921, 1922, 1923, 1924, 1925 separately to vessel owners operating between Canada and the West Indies?

6. Did the minister investigate the effect that this treaty would have on the sugar beet industry before submitting the treaty to parliament?

7. Why jeopardize the interests of producers in an industry before investigating as to the effect a reduction in tariff would make?

These are some of the questions I should like the minister to answer. I wish to urge upon the minister the need of investigating the extent of the sugar beet industry in our country, the effect that this treaty will have on the producers of sugar beets, and the effect that these treaties will have on refineries that are located inland, where they will be compelled to carry the raw sugar, if they do carry it at all, long distances in order to compete with those who are able to be served by the Canadian Government Merchant Marine.

Mr. ROBB: I will answer my hon. friend right now regarding the particular situation which he has discussed. I saw at once the importance of that question when we were negotiating the agreement, and as it so happened that the presidents of the two great railways were in Ottawa I represented to them that if, under this agreement, we provided that the Canadian railways would have all the haul on the export and import business in Canada with the West India islands, they should see to it that the refineries in western Canada were not discriminated against; in other words, that they should help them out on the freight rates and thus put them on an equal basis with New York. I pointed out to them that these people did not object so much to the small reduction of sixteen cents per hundred pounds on the raw sugar but that they wanted to bring their sugar in from New York, where they claimed they could get a lower freight rate than if it came in by way of Halifax and St. John, and I had the assurance of the railways that it looked like a reasonable proposition, and that they would see that the refiners out there were not in any worse position than the refiners more favourably located at the ocean or river ports of Canada. The reduction under this agreement on raw sugar which my hon. friend complains of so bitterly is only sixteen cents per hundred pounds on the raw sugar.

Mr. ARMSTRONG (Lambton): What is the total duty?

Mr. ROBB: The preference is one dollar.

Sir HENRY DRAYTON: It was eighty-three cents before, was it not?

Mr. ROBB: It was eighty-three something and now it is one dollar. It was almost eighty-four cents.

Mr. ARMSTRONG (Lambton): Did that include the half cent reduction in 1923?

Sir HENRY DRAYTON: No, that is a different thing.

Mr. ROBB: It is quite true, as my hon. friend said, that the price of beets has dropped, but sugar is just like wheat, oats, butter or cheese, the price is regulated by the world's market, and the price of sugar has

dropped all over the world. I notice that the people of the United States were complaining because their jam industry was suffering on account of the cost of sugar which did not compare with the cost in other markets of the world. I recall that in 1922 the government of Australia, through their high duties on sugar, practically put the jam and preserve people out of business, and they were compelled to conciliate them by giving them a subsidy. My hon. friend represents a splendid constituency and in the district near his constituency they grow beets for the sugar industry, but his next neighbour is interested largely in the jam and preserve business. That is a big business in Canada, and it is the duty of the government to see that that business is not discriminated against any more than any other business. In so far as injuring the beet sugar industry is concerned, this agreement practically stabilizes it, because it says that for a period of twelve years the preference shall be one dollar. So that they know exactly what they are going to do during the lifetime of the agreement.

Sir HENRY DRAYTON: Oh, oh.

Mr. ROBB: Does my hon. friend object to that?

Sir HENRY DRAYTON My hon. friend is not taking himself or the committee seriously.

Mr. ROBB: Why not?

Sir HENRY DRAYTON: Surely it is obvious that it is a preference on a rate of duty. There is no contract providing that the rate of duty shall be kept at any particular point; the only thing agreed upon is that there shall be a certain preference. Further than that, to show how absurd the suggestion is, there is a provision in the treaty itself whereby the arrangement may be altered at any time. The only understanding is that the preference shall remain stationary.

Mr. ROBB: That is right, but if my hon. friend happened to come into office he would have to retain that spread of one dollar. I was going to point out in regard to the beet sugar industry that according to the Monthly Bulletin of Agricultural Statistics for September, 1925, this business in Canada has grown considerably. In 1918 there were 18,000 acres under beets in Canada—I am leaving out the odd figures. In 1920 there were 34,000 acres and in 1922 there was a decline to 14,900. In 1924, however, the acreage was back again to 31,000 odd. That shows that the number of acres under cultivation is subject to the price obtainable for the product. If a man can obtain more money for wheat or oats or potatoes he will grow those products, and when he can get better prices for beets he will go in for beet growing. It appears, according to this bulletin, that in 1924 two Canadian beet sugar factories were in operation at Chatham and Wallaceburg. A third factory has been established at Raymond, Alberta, by Canadian Sugar Factories, Limited, and the acreage under beets for the past season was 6,634, of which 600 acres were lost and 6,034 thinned. This acreage yielded a total production of 58,000 tons. The business is therefore important.

Complaint has been made that the farmers are compelled to ship their beets to the United States. What is the reason? Let me quote the authority of a gentleman in the employ of the government of Ontario who spoke recently at a dinner in Windsor given in honour of the board of trade of that town. He claimed that the local industry was not dealing fairly with the farmers, and he took credit for having induced United States buyers to come over. He stated that the Mount Clemens Sugar Company was contracting for next year at $6 per ton. The company has to pay eighty cents per ton duty, and according to this information the farmers will now send their beets to the United States at $6 a ton as compared with $5.50 which the Canadian people were offering. That is why the Canadian beet growers have been shipping their product to the United States: they can get more money for it there. That is also the reason why the cream from my county and others sometimes goes to the United States. The farmer will send his cream or anything else to the market that pays him the most for it.

Mr. ARMSTRONG (Lambton): I think the minister has been mis-informed on this matter. I know that the Chatham and Wallaceburg refineries had representatives in my own home town. Our people were obliged to ship their sugar beets to the United States for the reason that the refineries at Chatham and Wallaceburg had all the acreage under cultivation which they could handle. That occurred only last year. Surely the minister is making an incorrect statement. I know for a fact that the sugar refineries of the United States have sent their representatives over to Canada and contracted for large acreages, and that is why the farmers in my district got together and endeavoured to establish a sugar refinery in my town. But what encouragement have

they? Who would put money into that industry to-day, knowing that hon. gentlemen opposite who have controlled the affairs of the country during the past four years have espoused, as the Progressives have done, a policy of free trade in everything, foodstuffs included? Free food means free sugar, and what encouragement has any man under such a policy to invest a dollar in the beet sugar industry? We have tens of thousands of acres of the best beet sugar land in the province. There is no question about that. If, therefore, we had a proper policy in this country a refinery in the town of Petrolia could be operated successfully. The farmer would receive $3 or $4 more per ton for his beets than he now gets, and would not be obliged to ship his product to the refineries in the United States. For that reason I am opposed to this measure. This is a young and growing industry, but as I have said repeatedly it is given no encouragement whatever. I can submit no greater proof than I have already presented to parliament to show that the people in my part of the country are prepared to put money into the sugar beet industry if the conditions are favourable, but they will not risk their money in something that might prove a failure.

Mr. CAHAN: Under this convention the government reserves the right to give a similar preference under certain conditions to other British countries. Is that so?

Mr. ROBB. Yes.

Mr. CAHAN: I infer from what the minister says that it is the intention of the government, in view of the provisions of the Australian treaty, to give the same preference to Australian sugar. That is a fair inference. Would the islands of Fiji come under that provision? Not long ago I was on the Pacific coast where on behalf of a certain gentleman I made a thorough inquiry into the importation of sugars into Pacific ports, and particularly the Pacific ports of Canada. I have not my memoranda with me, but I have in my office a full report of that investigation, and I ascertained this fact, that a Vancouver sugar refinery—I have forgotten the name, but there is one there—had developed sugar lands in Fiji, and were themselves producing a large quantity of sugar which they imported into Vancouver for refining purposes. I was wondering, therefore, whether Fiji would be given this preferential rate. Otherwise, it occurred to me that the Vancouver sugar refining industry might be prejudiced, in view of the fact that they have a large investment in the islands.

Mr. ROBB: When the matter was under consideration on a previous occasion the hon. member for Vancouver Centre (Mr. Stevens) asked that question.

Mr. CAHAN: I am calling attention to the matter in his absence.

Mr. ROBB: I pointed out then that if the Fiji islands were disposed to give Canada a greater concession than we now enjoy, although I believe we are getting their lowest tariff, we would consider extending to those islands the advantages of the West India agreement. As my hon. friend has stated, there is considerable sugar grown in the Fiji islands, but about three years ago, I think it was, they had to curtail their operations, having had some difficulty with the government of India and being unable to bring in any more indentured labour.

Mr. CAHAN: That is since the time I was referring to.

Mr. ROBB: I am told they grow very good sugar down there. The question of Canada reserving to itself the right to extend this preference to other dominions and colonies was brought up in this way, that our West Indian friends, or perhaps some of our own friends, did not wish Newfoundland to be granted the same preference. We wanted to reserve the right to negotiate with Newfoundland, and also, later perhaps, with some of the other British dominions, including Australia and the Fiji islands, having in mind to secure advantages for our sugar refineries on the Pacific coast. Now, Canada is interested not only in getting sugar at a reasonable price for domestic use and for our great jam industry, but also for the important sugar export business that is now developing. Canada exports considerable quantities of sugar to different parts of the world. I hope my hon. friend from Lambton (Mr. Armstrong) is not unduly alarmed over the small amount of beet sugar that is grown here, for it does not influence the domestic market. I say again, the price of beet sugar will be regulated by the world's market.

Mr. CAHAN: May I ask, not for the purpose of discussion, if the government reserves the right under this treaty to raise our customs duties to any height it sees fit?

Mr. ROBB: I should not like to be positive, not having the treaty before me at the moment, but offhand I would say that so far as the spread is maintained—

Sir HENRY DRAYTON: That is the contract.

Mr. CAHAN: I think it is very important.

Mr. ROBB: Yes, it does so provide on page 12:

Provided that nothing herein contained shall prevent the government of Canada from changing the rates of duty, provided the preferences granted herein are maintained.

Mr. CAHAN: Then so far as the contention of my hon. friend from Lambton is concerned, the government's hands are not tied, and parliament may give any protection it sees fit in future to the beet root sugar industry?

Mr. ROBB: I think my hon. friend is quite correct in that. If hon. gentlemen changed sides and my friend from Lambton wanted to put a high duty on the sugar of the people who make preserves and jams, he would be at liberty to do so.

Mr. CAHAN: I was not discussing that phase of the situation at all, but I think it is important that our ideas should be clarified, because there are a great number of people in the country who are deeply interested in this provision.

Mr. ROBB: That is clear.

Sir HENRY DRAYTON: I was going tc take up the point the hon. gentleman has just addressed himself to and add slightly to what he has said. The question of the general duty is really the decisive question on the price that the producer of sugar beets gets. As the minister well knows, only a comparatively small fraction of our sugars in the past have come in under specific preferences. That is beyond all room for argument. Sugar being high generally, as my hon. friend has said, and the sugar coming in from the West Indies being only a moiety of the whole, although there was a preference of 82.70 odd per cent given under the contract of 1920, instead of the price per ton of sugar beets going down, as a matter of fact it went up; but the converse happened in 1923, when with the manufacturers of jams and preserves getting along practically just as well as they are getting along now having regard to the relation of their business to other businesses—I admit their position was not as good as it is now, for we were only then getting over the post-war deflation—and without any real demand for it, the government took half a cent a pound off sugars, and immediately 50 cents a ton was taken off the price of the farmers' beets. That is perfectly obvious because, as I pointed out to my hon. friend the other day when I put my queries to him, the price of the sugar beet to the farmer depends on two things, saccharine content and the price of raws landed in Canada; and the price of the latter, despite what my hon. friend says, has a great deal to do with tariff arrangements and that sort of thing. It is quite true there is a world price for refined sugar, but this price varies tremendously throughout the world having regard to distributing costs and tariff. It varies very much more having regard to distributing costs than it does in this country in relation to the tariff. And there is a very simple way in which my hon. friend can help our farmers engaged in the sugar beet growing industry practically without hurting anybody, because if he studies the tables of refined sugar prices he will not find that the breakfast table gets the benefit of that half cent a pound; it does not. It gets the small benefit here and there which depends far more upon changes in cost of distribution and upon domestic competition than on any change in the price of raws. Therefore if my hon. friend wants to help our farmers who are engaged in the sugar beet growing industry he has just simply to go back to where we were in 1923. If he does that, if he puts up the general rate half a cent, he will find that his treaty here will make but very little difference, if any at all, in that cost.

Mr. ROBB: I do not want to interrupt my hon. friend's argument; but would it not increase the price of the best sugar used in Canada? Would it not mean a difference of three million dollars?

Sir HENRY DRAYTON: Let my hon. friend take his own statistics as to the cost of living in this country, and just see how much our consumers have been benefited by that cut. The lifting of the cost that we have been having recently certainly has not had anything to do with tariff increases; it may have had something to do with tariff reductions, because these are sometimes concurrent with an increased cost of living. In fact we have had that happen. I do not think my hon. friend will find any very close relationship between his tariff on the one hand and his cost of living on the other.

My hon. friend has referred to the American situation. Well, last July there was trouble in the United States about the price of refined sugar. Some of the jam manufacturers thought they were being charged too much for their sugar, and they made application to the President to reduce the sugar duties so as to cut down the price. The President refused the application. In less than six weeks afterwards, notwithstanding that the tariff had been maintained absolutely, the competitive situation of the local market had so developed that there was a substantial

cut in the domestic price of refined sugar, and the very people who had been urging for a reduction in the tariff ceased their agitation. My hon. friend will find that all reported in the American papers, the conclusion which they drew being that leaving the tariff where it was—and it was high—intensified their local production, as it happened that just as soon as the competitive situation reached a certain point they got their refined sugar at far lower prices than they would have secured if the tariff had been reduced. At any rate, that is what happened there. I repeat, my hon. friend will find a very easy way of helping the people of Lambton and Kent in their sugar beet industry if he will just simply look after what was done in 1923. My hon. friend is more or less engaged in repairing damage done by his government, and he might quite easily repair this little damage also. By retracing mistaken steps he would not only be improving conditions for his governmental record, but he would be helping things in the country generally.

There was just another point I wanted to refer to. I spoke to my hon. friend the other day in connection with cocoa beans, and I pointed out to him what I believe to be the fact, that with our manufacturers of confectionery and the like, the larger part of their cocoa beans are of a far cheaper quality than the Trinidad cocoa bean. I appreciate that we have to take this treaty or leave it. The different parliaments have passed upon this treaty; we are the last to take it up, and I understand from what my hon. friend says that Trinidad is adamant upon this point. I accept my hon. friend's statement absolutely. Apart from that statement I would have argued that the treaty does not help Trinidad because even with the preference—and it is substantial—the African cocoa bean is so much cheaper than the Trinidad bean, owing to cheaper labour in Africa, that it would still be brought into this country. But I am going to ask my hon. friend to take this into consideration very seriously and see if he cannot straighten it out in his budget, not as against Trinidad, but for the purpose of maintaining the tariff situation which now governs the local market, having regard to the confectionery business.

The American confectioner is not under the same disability our confectioner is under. Hon. gentlemen here must recollect that we are not now dealing with a preference but with a substantial increase in the duty on cocoa beans coming into Canada. My hon. friend, with a treaty, is substantially raising the tariff item. Of course if we could get all the items raised properly, it would be an excellent thing, but where we just have one item raised in this particular way, without considering the people who must feel the effects of that action, I think my hon. friend will agree with me that it is something he can well take into consideration in connection with his budget. He cannot, of course, tell me now what he will do; I appreciate that, but if he will tell me that he will, as I think he should, take that matter into very careful consideration, I am quite sure that one substantial interest of this country will be pleased.

Mr. ROBB: Mr. Chairman, my hon. friend has himself given the proper answer. I cannot tell him what I will do, but I appreciate his argument and I will give it my most serious consideration.

Sir HENRY DRAYTON: There is just another point. Will my hon. friend tell me when these tenders come in?

Mr. ROBB: I was just going to mention that. I said earlier in the day that I would not ask for a second reading of the bill until the tenders come in. I believe that date is April 6, and we may want two or three days to analyse them.

Mr. CAHAN: Might I ask my hon. friend another question? With regard to the decrease in customs revenue arising out of this treaty, plus the decrease which automatically arises in view of the Australian sugar coming in under the same preference, has my hon. friend made any estimate of the actual loss of revenue, on the basis of last year's importations, say?

Mr. ROBB: Yes, speaking from memory I think it is about $600,000.

Mr. CAHAN: I thought that was from the West Indies alone.

Mr. ROBB: I will get the correct figures later.

Mr. BLACK (Halifax): A short time ago I think my hon. friend cast some reflection on the service now being operated. For the information of the House I may say that the service now under subsidy by the government to what is known as the eastern group of islands has been performed by the Royal Mail Steam Packet Company, who have an office in Halifax. My firm work in conjunction with them. No one realizes more than that company does that the steamers are antiquated and unsuited to the route. That is admitted, and they have felt very deeply the conditions which required them to carry

on that service with those steamers. It is a reflection on that company, which is one of the largest, most influential and most respected steamship companies in Great Britain. The reason that these ships have been continued on the route is simply that for years past the company has been pressing the government for an improvement in this service. Four or five years ago the government did call for tenders for improved service. That company submitted a tender—the only one submitted—the terms and conditions of which were reasonable, but the government saw fit to turn it down. From time to time, almost from month to month, the government has requested that company to continue the service with the tonnage which has been carrying on that service for twelve or fifteen years past. When the ships were put on they were satisfactory, good enough for the business, for the route and for the passenger traffic. But conditions have changed since then; the ships have grown older and, as I said before, it is a source of annoyance to the company to have to operate them. They were only operated at the urgent request of the government.

In that connection I might say I believe that, as a result of the call by the government for tenders, there will be no offers to perform that entire service. The conditions governing the service to the western group, for which tenders have been asked, are so extreme and so exacting that I am sure no company will undertake it, and no government will pay the subsidy necessary to its operation. But I can quite conceive that with the wonderful picture of the trade that can be done and the expected increase in trade between the western group and this Dominion, the government may be induced to operate ships to carry on that service, and this House and the public will not be aware of the yearly cost the service will entail. It will be extremely expensive. It is held out that there will be a large passenger traffic down there, but I would call attention to the fact that within the last three or four years excusions on the big steamers have become very popular almost throughout the world, and at the present time inducements are being offered by the companies operating on the Atlantic which have arranged for excursions on their large ships from New York and other American ports to the West Indies. In my judgment that will interfere very, very materially with the proposed passenger traffic for the western group. Furthermore, as regards both groups, the tonnage that is now running out to these islands will be increased and the number of steamers and the number of trips will be greater than at the present time. The tonnage that is carrying on that trade to-day is running about only sixty per cent full cargo on the average throughout the year. The tonnage now proposed for the western group is eight or ten times greater than the tonnage operating to-day, and how those ships are to be provided with cargo, and where that cargo is to come from, is something that I, and I think those familiar with the West Indies trade, are at a loss to understand. The Royal Mail, operating on the eastern route, show by their report that their ships have been running on an average sixty-five to sixty-seven per cent short of cargo during the whole year, and yet it is proposed to increase the carrying capacity on that route under new terms, which can result in nothing else but heavy loss to whoever may be operating the service.

As I said when speaking of this matter before, we are obtaining from the West Indies—I refer now to the eastern group—all the sugar, all the molasses, and all the products of these West India islands that we can consume, and no amount of additional tonnage, not even a daily service can increase our imports from those islands.

So far as outward trade is concerned, the same conditions exist. I do not say there may not be some small increase perhaps in some of the things that are going out there at the present time, but it will not be very great; it will not in any way provide the cargo necessary for the tonnage on that route. This banana trade, of which such a glowing picture has been painted, is in my judgment very problematical. I am perfectly satisfied in my own mind that Canada as a whole cannot be supplied by the proposed services which are to be put on between Jamaica and Canada; I am perfectly satisfied that British Columbia and the western portions of this country cannot be supplied. That portion of this country will be supplied, even paying the fifty cents duty, via New Orleans and up the Mississippi valley. The distance and the time taken between Jamaica and New Orleans is about two and one-half days. It is about the same time up the valley, and bananas shipped from Jamaica via New Orleans will reach destination in British Columbia and the western parts of this Dominion before they can reach any Atlantic port, Halifax or St. John. The banana is not only a perishable article, but an article that cannot well be handled in cold weather. The House may know that a banana subjected to a temperature of 55 degrees is blackened and destroyed, and how the trade can be handled to

advantage in cold weather is something that I cannot understand. The off season in Jamaica has also to be taken into consideration; what are these expensive ships going to carry during that period of four or five months? There is another disadvantage. If there are any fruit dealers here, they will know perfectly well that the Jamaica banana is inferior in quality to that of British Honduras.

Mr. CAHAN: Inferior to those of almost every island to the south.

Mr. BLACK (Halifax): Yes, and not only that: in Jamaica they have their dry seasons when the banana crop is not worth transporting. What are the ships to do for cargo under those circumstances? There is another point: We all know that Jamaica suffers from hurricanes. A few years ago we all read of the island being swept by hurricanes and the banana crop being blown down. Where is the fruit to come from then? This proposal in connection with Jamaica is but the dream of an idealist, which will never materialise, and it will cost this country millions of dollars.

I would also refer to an antiquated proposal in connection with this treaty, a proposal that has been tried in the West Indies and condemned and abandoned. In the early days before there was much competition among the steamship lines, the Royal Mail Steam Packet Company operated under subsidy from the imperial government from Southampton to Barbados. When these boats from Southampton arrived at Barbados, their cargo was transferred to what were called the inter-insular boats, which distributed the cargo among the islands, one going to the islands north, one to Grenada, and one down to Demerara. What happened? As competition increased, other lines came into the West Indies trade; they carried their cargoes direct to these islands that were being served by the inter-insular boats, and the result was that no shipper would put his goods on a boat when they had to be transferred to another boat. He could ship on a steamer going direct to destination, and the result was that these inter-insular boats were left without cargo and were withdrawn.

It is proposed under the treaty to have a service under which cargo from Canada will be transferred to another steamship at Jamaica, whence it will proceed to British Honduras. If that is done it will be necessary to provide warehouses and all sorts of docking facilities at Kingston, Jamaica, as well as officials to look after the boat. A certain amount of expense will be involved in loading and unloading cargo at Jamaica, and any damage caused on account of the extra handling will have to be met. Now, does anyone at all familiar with shipping undertake for one moment to say that cargo can be shipped in two bottoms, subjected to transfer, and carried at a rate which will at all compete with a steamship which travels direct? We can get none of the British Honduras trade by any such expensive process as that; it will all go by direct steamer from American ports. The extra steamer means a proposal which will be antiquated, expensive, and of no benefit whatever to Canada. It may be said, "Oh, we are going to bring bananas up from British Honduras, where the best fruit grows." I venture to say that there will not be a thousand bunches in ten years shipped in hot weather by any such route, and I have very grave doubts myself as to the possibility of obtaining bananas from the island of Jamaica in quantities required.

Then, in the last place, I want to emphasize what my hon. friend (Mr. Cahan) has said, namely, that the minister is asking us to enter into an agreement as to the cost of which the government knows nothing. This treaty was negotiated months ago so that there has been ample time to enable the government to give us some information as to the probable cost. We have not yet been vouchsafed that information and I say it is not fair, right or businesslike to ask the House to sanction an agreement as to the cost of which no one here can give any estimate, because we have not been given any kind of information.

Mr. ROBB: My hon. friend was out when I agreed to delay the second reading of the bill until we had tenders in our possession and could give the amount of those tenders. I was just wondering while I listened to my hon. friend if he was going to go so far as to advocate that we cancel all subsidies on steamship services to the West Indies.

Mr. BLACK (Halifax): I think it would be a very good thing for you to do in the interests of the country.

Mr. ROBB: Do you believe that?

Mr. BLACK (Halifax): Yes, and I am perfectly prepared to support it.

Mr. MacLEAN (Prince): This treaty is supposed to be very important to the Maritime provinces at whose ports, including that of Charlottetown, we were led to understand the vessels engaged in this service would call. I think that when tenders are being called care should be taken to see that this provision, which was agreed to at the conference, is carried out. I ask the Minister of

Finance to look into this particular point which is of very great importance to the Maritime provinces.

Mr. ROBB: Yes, I will keep that in mind.

The CHAIRMAN: Shall the resolution carry?

Mr. MEIGHEN: Do you want the resolution carried before six o'clock?

Mr. ROBB: Whatever my right hon. friend says. It might as well be carried.

Mr. MEIGHEN: I do not see much value in adopting the resolution if the second reading of the bill is to wait. The adoption of the details of the resolution really implies the adherence of the House to the pact itself. I suggest that the committee rise.

Mr. ROBB: My right hon. friend does not approve of the carrying of the resolution?

Mr. MEIGHEN: I do not see any value in carrying the resolution when the second reading of the bill is to wait.

Mr. ROBB: I thought we might pass a resolution; then I could table the bill, and hon. gentlemen would be able to study its details.

Mr. MEIGHEN: The bill can be tabled anyway.

Mr. ROBB: Only after the resolution is adopted.

Mr. MEIGHEN: The first reading may not be moved, but the bill can be tabled.

Mr. ROBB: My right hon. friend knows better than that. We never table a bill until after the resolution upon which it is based has been passed.

Mr. MEIGHEN: There is no reason why the bill should not be tabled, although it cannot be distributed. However, I have no great objection.

The CHAIRMAN: Shall the resolution carry?

Mr. MEIGHEN: Carried, with the reservation that we are only doing so for the sake of getting the bill.

Resolution reported, read the second time and concurred in. Mr. Robb thereupon moved for leave to introduce Bill No. 15, respecting trade relations with British West Indies, Bermuda, and British Honduras.

Motion agreed to and bill read the first time.

At six o'clock the House took recess.

[Mr. MacLean.]

After Recess

The House resumed at eight o'clock.

SUPPLY

DEPARTMENT OF TRADE AND COMMERCE

The House in committee of Supply, Mr. Duff in the chair.

Trade and Commerce—The Copper Bounties Act, 1923, administration of, $1,000.

Sir HENRY DRAYTON: This item provides for the cost of the administration of an act which the Right Hon. Mr. Fielding introduced in 1923 providing for copper bounties. My recollection is that it was a bounty on rods. Mr. Fielding expected that this would greatly increase the production of copper rods in Canada. This would be a convenient time for the minister to tell us what has been the production and what the bounties are.

Hon. J. A. ROBB (Acting Minister of Trade and Commerce): It was provided by legislation that from May 12, 1923, to June 30, 1924, both inclusive, there would be paid one and a half cents per pound; from July 1, 1924, to June 30, 1925, one and a quarter cents per pound; and so on, down to one-half of one cent per pound in 1928. The records show that in 1924 the Consolidated Mining and Smelting Company of Rossland produced 27,505 tons of ore which yielded 2,030,605 pounds of copper. In 1925 the total production was 18,005 tons of ore, or 3,056,848 pounds of copper. For 1926, up to January, there had been produced 22,704 tons of ore, which gave 3,184,373 pounds of copper.

Sir HENRY DRAYTON: I thought we were paying the bounty on rods. I am interested to know how the production of rods is getting on.

Mr. ROBB: We paid the bounty on 532,117 pounds of coppper bars in August 1924; on 632,023 pounds in September 1924; on 213,571 pounds in 1925, and on 1,268,696 pounds in 1926. We have paid a total bounty of $29,374.42.

Sir HENRY DRAYTON: What is the present annual output?

Mr. ROBB: The average in 1924 was 27,505 tons of ore producing 2,030,605 pounds of copper.

Sir HENRY DRAYTON: That refers to ore and copper, not to copper rods.

Mr. ROBB: In 1925 there was a production of 18,005 tons of ore, or 3,056,848 pounds of copper bars. I have given all these figures.

Sir HENRY DRAYTON: We are not making great progress, but I suppose that the real

objection that might be urged is not to the item itself so much as to the fact that this government, which has been repudiated by the country, should be given any vote at all. However, under the circumstances I will say nothing more.

Item agreed to.

The Hemp Bounties Act, 1923, administration of, $500.

Mr. ROBB: This is the same vote as the one passed last year.

Sir HENRY DRAYTON:: A proposition was made some years ago to the government whereby it was hoped that a large quantity of hemp would be grown and that there would be established a considerable industry in the western provinces. There was some issue between those interested in the proposition and the government. The government were prepared to go a certain distance and no further. It was thought they were not going far enough. If an industry has been established in the west what is the production?

Mr. ROBB: No one has so far claimed any bounty under the act, and this vote is only for purposes of administration. Last year the expenditure was $248.33.

Sir HENRY DRAYTON: Why should there be any expenditure?

Mr. ROBB: Travelling expenses had to be paid.

Mr. HANSON: If there were no applications for bounties why should there have been any expenditures?

Mr. ROBB: Printing, stationery and so forth had to be provided for.

Mr. HANSON: Is it expected that there will be any claims for bounties this year?

Mr. ROBB: I do not know. The act was passed in the hope that an industry would be established in the west.

Mr. CHAPLIN (Lincoln): There will be no forms to be printed.

Mr. HANSON: Enough forms have been printed to last twenty-five years.

Mr. ROBB: If hon. gentlemen insist upon it I do not object to reducing the item, but the Minister of Agriculture (Mr. Motherwell) tells me that someone is interested in the industry.

Mr. MOTHERWELL: I understand that several hundred acres of hemp have been grown in the vicinity of Portage la Prairie and in other parts of Manitoba, and a small plant is being established on rented premises, the initial machinery having been installed. I have no official information on file to this effect, but I have gathered this from casual conversations with residents of Winnipeg and Portage la Prairie. I know for a fact, however, that several hundred acres have been under cultivation.

Mr. HANSON: This vote is only for administration. What expenditures will be incurred over and above clerical work in Ottawa?

Mr. ROBB: An inspector may have to go out.

Mr. HANSON: Does this come under the Department of Agriculture?

Mr. FOSTER: Some years ago a determined effort was made by some of the citizens of Winnipeg to establish a hemp industry in Manitoba. Colonel Grassie of Winnipeg was associated with the enterprise, and there came over from the Old Country a number of the best experts in the industry to investigate all that section of territory north west of Winnipeg up to the foot of lake Manitoba and on towards Neepawa and Dauphin. A great deal of money was spent and the reports were to the effect that the soil was highly suitable for the establishment of a great hemp industry. The samples of hemp pulled yielded, I believe, a product that compared favourably with hemp grown anywhere else in the world. It is exceedingly difficult to get local capital to go into an industry such as this if it is to start it from the foundation, as the hemp industry in the northwest would have to be started. It is a fact that nothing has been voted so far with the exception of $500 for clerical work, and that in itself indicates that the industry is not yet on its feet. Frankly, I think that if this country would assist by bounties in aid of the establishment of certain industries in western Canada, such as hemp growing, for instance, it would at least be an undertaking well worthy of consideration, and I think we should look forward to spending a little more money in Canada on the attempt to make two industries flourish where we have but one now. I think some part of the millions of dollars that we might be inclined to spend on railway development could be much more profitably spent upon the establishment of industries in all parts of the country, particularly the west and the east. Although I do not come from there I mention the west because for years I have been interested in the development of that country and have come very close to a great many men who are struggling against

difficulties in their efforts to establish certain industries in that part of the Dominion. I have felt like asking the Minister of Finance to tell the committee what was the occasion for the introduction of this bill in the first place. Somebody must have come to the government and made the request. If so, what happens to those people? If we could have a little more information on that I would be very grateful, and perhaps the House would be also.

Mr. ROBB: Yes, Mr. Chairman, the act was passed in 1923. My hon. friend is quite right, the subject was brought to our attention by Colonel Grassie and some other gentlemen in Winnipeg, who hoped to develop the industry. I could not point out to the House any more than my hon. friend himself has disclosed. If they are to make progress this year, I submit we might very well let the item pass. Of course, hon. gentlemen will understand that if the bounty is claimed, it will be paid under the act. Like the other bounty I have just quoted, it commences in 1926 at 1½ cents a pound and diminishes each year until in 1933, it drops to half a cent a pound.

Mr. WHITE (London): Will the minister tell the committee whether the bounty is to be paid on the hemp as grown or on the twine to be made from it?

Mr. ROBB: The bounties are payable on:

Hemp grown in Canada and used in the manufacture of yarn or twine, or in the manufacture of hemp further advanced than yarn or twine, manufactured in Canada and sold for consumption therein, during the periods and at the rates following, that is to say—

And the rates specified are those I have just given.

Mr. WHITE (London): Does the bounty go to the manufacturer?

Mr. ROBB: I am going to continue my quotation to show how the weight is computed:

Provided that the said bounty shall be paid on the weight of carded hemp used in such manufacture and that the weight of the carded hemp shall be computed on the absolutely dry weight thereof, plus a moisture regain of not more than 12 per cent, and exclusive of lubricating or other extraneous material.

It is also provided that:

The sum to be paid as such bounty shall not exceed $125,000 in any one of the said periods.

Mr. EVANS: Mr. Chairman, I should like to know if the minister has satisfied himself that a quality of hemp can be grown in Manitoba that would be available for making twine successfully. I have it on pretty good authority that hemp of that class cannot be grown in Manitoba and brought to such a state that it can be used successfully in the manufacture of twine. I think this is the third year that this matter has been before parliament without very much having been done in regard to it. It would be preferable to give a bounty for co-operative effort in growing hemp and bringing it to a state where it can be used in any factory before any industry is established in the city of Winnipeg or elsewhere. I would caution the government at this time to be very careful in encouraging an industry that is not indigenous to the country and that can be used for the manufacture of a supposedly commercial article. We should satisfy ourselves first that the raw material can be produced. We have established many industries in Canada which may be termed exotic, and I think we should be very careful not to encourage the establishment of any further industries until the raw material is at hand in abundance.

Mr. HAY: Mr. Chairman, I think it would be wise on the part of the committee to pass this item. I understand that the parties interested in the proposition are still working on it, and hope eventually to be able to establish a plant in Manitoba for the manufacture of twine and other products. I should like to see the item pass because I think it will help to encourage an industry which we have been seeking to establish in Manitoba for quite a number of years.

Sir HENRY DRAYTON: Mr. Chairman, the difficulty is not in connection with the growth of hemp. When I say that I am relying on the word of the government, because the government were in charge of what was going on and were checking off the tests that were made. I am relying, as I recollect, on the word of the hon. Minister of Agriculture (Mr. Motherwell), that good hemp could be grown in Manitoba, that in fact he had seen magnificent hemp growing there. I think we had similar testimony from the other minister from the west (Mr. Stewart). Apparently there was no question but what this country could produce excellent hemp, and that there was ample room for a plant to manufacture hemp into twine and other products, the only difficulty being in starting such a plant. That was common ground. My hon. friend the Minister of Agriculture nods his head; his memory and mine are exactly the same with respect to the matter. The difficulty was that while Colonel Grassie with his associates from Manitoba were perfectly firm as to the minimum assistance which would be required, the department

thought that that assistance could be pared. The difficulty, as I recollect, took on two phases; one was as to the amount per annum, and the other as to the number of years and the manner in which the bounty would taper. As a matter of fact, the difference between the department and the expert which these gentlemen brought out from Ireland was very, very small; but I know the Irish expert when he left the country said that the government had effectually killed the scheme which they were ostensibly trying to help; that by withholding but very little they were effectually ensuring that Manitoba would not get this industry.

In connection with this item, Mr. Chairman, I would suggest that the government make it workable. The government has on its files now the representations made, and they have had two and a half years of failure. They have information that this is an industry which ought to be developed; they have acted upon that information and are committed to that position. Why should not my hon. friend make his act workable this year? It would be an easy thing to do and as I recall it, the amount involved is practically trifling. If the government really have faith in this venture, after playing with it for two and a half years, why not make sure that something will be done to give this new industry to a province which should have it?

Mr. ROBB: I would not like to make a commitment to amend the act and increase the expenditure. I submit that $125,000 a year is not a trifling amount.

Sir HENRY DRAYTON: It tapers off very quickly.

Mr. ROBB: However, I may say to my hon. friend that I will carefully look into it, without making any statement that I will increase the bounty.

Mr. HANSON: I think we should hear from the Minister of Agriculture (Mr. Motherwell). If I am not mistaken this is one of his babies, and I would like to hear his reply to the attack of the hon. member for Rosetown (Mr. Evans) on the principle underlying this. If the Minister of Agriculture approves of that underlying principle, let him get up and say so, and let us hear what he has to say about the remarks of the hon. member for Rosetown.

Mr. MOTHERWELL: Mr. Chairman, when Colonel Grassie and his associates came here from Winnipeg during the first session of the last parliament I had a long discussion with him, but nothing was done during that session except to have the matter investigated. I found that he and his associates had been working on this question for some fifteen years. Their hope of success had been interfered with by the war, and following the war they had still greater difficulty in financing it. Eventually they came down to Ottawa to see if something could not be done in the way of a bounty to assist in getting the necessary capital to establish the industry. Mr. Coote, a representative of the Belfast Rope Works, accompanied Colonel Grassie the second year, and there was no question in my mind from the outset as to the capacity of many provinces for producing raw hemp of a splendid quality. In bringing in a hemp bounty no new principle was established in this House, because that principle had been recognized by various parliaments for many years. In this case, however, the bounty was to recede with the years and to ultimately disappear, in contrast to some methods of assistance which we have adopted at other times. In the meantime our friends who have been at the bottom of the movement in Manitoba, as indicated by the hon. member for West York (Sir Henry Drayton), were not able to get a sufficiently attractive bounty to get the necessary capital immediately following the war. For a number of years in Great Britain one government followed another in rapid succession, and as a result the money market was greatly disturbed. That was the reason why the bonds did not find a sale. Now they have secured sufficient capital to start in a small way and have entered into the necessary contracts with farmers to grow something like 500 or 600 acres of hemp; the necessary ray products have been arranged for; the machinery is being installed now if it has not already been put in, and this industry will work up to a position which will enable it to qualify for the bounty. Until that is done, very little money, with the exception of this merely nominal item, is required. I think possibly I have covered the question, except the reference to the hon. member for Rosetown, and I think the Minister of Finance replied to that. I know my friend's views with regard to that question; he did not support it very ardently at the time it was first introduced, so his views have not changed much since that time.

Sir HENRY DRAYTON: Would the minister observe the wording of the act? The maximum bounty, I think, commences

at a given year and works down. Owing to the fact that nothing has been done, does not the Minister of Agriculture think that act should be amended in order that the bounty term might commence with the inception of the industry, rather than in connection with the years that have passed?

Mr. STEWART (Edmonton): Is my hon. friend correct in that statement?

Sir HENRY DRAYTON: That is as I understood it from the Acting Minister of Trade and Commerce (Mr. Robb). When he read it out I think he said it was for the year 1925, one and a half cents, and then it worked down.

Mr. ROBB: Yes, I did make that statement, because I thought it had started then, but as a matter of fact the memorandum I have in front of me says "1926, one and a half cents," so my hon. friend may be correct.

Mr. FOSTER: I am entirely in accord with the hon. member for West York when he says that something should be done to put the House in a position to assist this industry. The very fact that these men have been devoting fifteen years of time and their own money in an attempt of this kind and getting nowhere appears to me to merit the serious consideration of this House. It is almost unthinkable that when we have the country, the climate, the soil and everything conceivably needed to start an industry which will assist the farmers of a certain part of this country, it should take fifteen years of long labour on the part of a few progressive citizens of Winnipeg in order to get to a point where they may ask the government to put an act on the statute book, and that three years should then elapse before that act is made workable. It does seem to me that some steps should be taken immediately to assist this industry. If it is bonds they need, help put them in a position where their bonds are salable. If they need further investigation with regard to whether or not the kind of hemp they can grow is marketable, let us give them $5,000 or $10,000 in order to develop that particular phase of the question and help this industry to success. I may hold peculiar ideas about some things, but I am convinced that you cannot solve the problems of this country in any better way than by assisting in the creation of new wealth, when that new wealth is represented by a product which the world demands and which is therefore marketable.

Mr. ROBB: The only way any further aid could be granted would be by amending the act or by getting a special vote put in the estimates, and I am afraid I might run up against the Minister of Finance, who is not willing to increase the expenditure.

Mr. NICHOLSON: If this question is examined clearly it will be seen to have a broader aspect than merely the question of a bounty on hemp. There is no doubt, if all our information is reliable, that western Canada can grow a first class quality of hemp. I do not know about Saskatchewan, but I have information that it can be grown in Manitoba and Alberta at least, and my hon. friend to my left (Mr. Evans) says that it can be grown equally well in Saskatchewan. As a matter of fact, I have been through the west and have had bonfires pointed out to me by men who know the west, and who have told me that that straw was being burned on soil that would produce an excellent quality of hemp for the manufacture of twine of all kinds. The Minister of Agriculture put his finger on the sore spot in connection with this whole matter, and it is this, that the gentlemen behind this scheme cannot get the necessary financing. Why is that? The hemp that would be grown in this country would, for a considerable period at least, be used in the manufacture of binder twine. Now why is it that you cannot manufacture binder twine in this country? Solely because the market for Canadian binder twine has been handed over to the Consumers' Cordage Company in the United States, where they have a closed market of 110,000,000 people. The binder twine industry in Canada is in exactly the same position as any other type of industry in this country. You cannot find a group of financiers anywhere who will invest money in industry in this country to-day, because they do not know what may happen to that industry the day after they get it established. Conditions have been so uncertain in relation to all types of industry that you can no longer get a man to invest a dollar in industry of any character in this country. They are all anxious to get their money out of industry and put it into bonds or something else where they feel it will be reasonably safe, if they do not take their money out of the country altogether. If you take hold of this question as it should be taken hold of, and give the manufacturer of binder twine and the producer of the hemp from which that binder twine is manufactured the reasonable degree of protection that Canadian industry requires, the whole problem will be solved; the farmers

on the prairies will grow hemp, which will be manufactured in the towns near by, giving employment to their own people and providing revenue for themselves. There is the place to start. So long as you go on tinkering with these things, so long as no reliance can be placed on governmental action, so long as things are in this unsettled state, we shall be in the position that my hon. friend from Nova Scotia referred to when he said that we have spent fifteen years tinkering with this question and have got nowhere.

Mr. GEARY: Was no money paid under this item last year?

Mr. ROBB: Nothing paid under the bounty. The item we are considering is for administration.

Mr. GEARY: I do not see any item in the Auditor General's report for the disbursements last year. There were no disbursements last year?

Mr. ROBB: Not under the bounty.

Mr. BROWN: Discussing the hemp proposition, I think we should try to keep our feet to the ground and not take an extreme position either one way or the other. I do not think there is any question that in parts of the three prairie provinces, in eastern and northern Manitoba and probably in the northern part of Alberta and Saskatchewan, hemp can be grown satisfactorily, but we must try to keep in mind the purposes for which this hemp will be used, and how it will be used. The hon. member for East Algoma has spoken of it as being used for binder twine. I think we may just as well disabuse our minds of that idea right at the start. Some investigation has been made into that matter, and it has been found that the hemp is not suitable for binder twine. Mr. R. A. Hoey, the member for Springfield in the last parliament, had occasion to get into correspondence with the University of Wisconsin, and they gave him the results of their own experience, and as well communicated to him the results of the experiments of the International Harvester Company. That company has been spending large sums of money for years in an attempt to find a suitable substitute for the southern grown fibre, and they have not found it. Even if a situable substitute could be produced, the testimony we get is to the effect that it cannot be used in competition with much cheaper fibres that come from the south or from the Philippine islands. So far as the production of binder twine is concerned, therefore, I think we may as well leave that question aside. But undoubtedly the fibre can be used very satisfactorily for manufacturing different grades of commercial twine, and personally I would like to see such an industry established. I believe if it could be successfully established it would give agriculture just one more industry upon which we could rely. If that could be done, and if we can take care of the growing and the harvesting of the hemp in the short season we have in the fall—very often a dry fall, whereas hemp needs a wet fall for its proper treatment—I believe we might have a satisfactory industry built up on the basis of the hemp that could be grown in the prairie provinces. If I remember rightly, when Colonel Grassie and his associates were presenting their case here they asked for a particular bounty; I do not know just what the figures were, but I do remember that when the government's proposal came before the House it was found that it did not meet the requests that had been made by Colonel Grassie and his associates—so much so, indeed, that they did not consider they could operate under the concessions offered.

I think we should approach this matter calmly, and the information we have been able to gather from the University of Wisconsin and the experience of the International Harvester Company is that as a binder twine proposition, we may as well put that idea aside. At the same time I believe there is a possibility, if we go at it in the right way, of developing what might be from the standpoint both of the producer of hemp and the manufacturer a very satisfactory industry.

Mr. MULLINS: I do not think Colonel Grassie is now connected with the company at all. While I was out west during the adjournment, the principal of the company came to me, and I learned the personnel of the company has changed altogether. I took the matter up with Colonel Grassie many years ago. Manitoba is a province that can certainly grow the material from which binder twine can be made, and there I take issue with my hon. friend from Lisgar. We burn stacks and stacks of straw in that country that would be suitable for that purpose, and I have bought it at ridiculously low figures for my cattle. This item is practically a nominal one, and I would like to see the House pass it in order to give this industry a trial in Manitoba.

Mr. GEARY: There has not been any expenditure on this class of item heretofore.

Mr. ROBB: There was $203 spent in travelling expenses, but there has been no expenditure on account of the bounty.

Mr. GEARY: Where is the administration item?

Mr. ROBB: My hon. friend will find it under Trade and Commerce.

Item agreed to.

British and foreign news service, $32,000.

Sir HENRY DRAYTON: Any news in this?

Mr. ROBB: My hon. friend will recall that this is part of an agreement which was entered into. The contract with Reuters expires on July 31, 1926, but we are asking for the vote because we may be able to renew the contract with them. My hon. friend and those hon. members who were in the last House will remember that the contract provides for the transmission by cable to the United Kingdom of an average of 10,000 words monthly of Canadian news designed to promote the interests of Canada. This is to be in addition to the service which Reuters already cable to Canada from the world at large, which they undertake to maintain at its average present length. They also engage to disseminate generally throughout the United Kingdom, the British dominions, and elsewhere mail news calculated to arouse and maintain interest in Canada and Canadian activities, commercial, financial, industrial and agricultural. They send us back clippings to satisfy the department that they are doing that. I have a record here that from August to December, 1923, when the service was introduced, they sent us 2,203 clippings; from January, 1924, to January, 1925, 10,772, and from February 1, 1925, to February 28, 1926, 10,750. The total number of clippings was 23,725, divided in the last named year as follows: Agriculture, 1,493; Finance, 1,288; Immigration, 1,534; Mines, 373; Railways and Canals, 1,262; miscellaneous items, 14,225.

Mr. HANSON: The government could very well make a saving by cutting out the whole amount of this item. So far as I have been able to observe, we get no very tangible result in the way of dollars and cents from this grant. It was put in originally, as I recollect, at the instance of the Prime Minister—I believe I am correct in stating that—but the country has never received value for the expenditure. It is on a par with the grant that used to be given to the Canadian Press but which the predecessor in the office of the Finance Minister cut out a year or two ago. There was never any row about that, and there has never been any deficiency in the newspapers on that account. The only result has been the saving of that $50,000 formerly made to the Canadian Press. I think this is a time when the government should pare such extraneous services and grants as this. I therefore suggest to the minister that he withdraw this vote.

Mr. ROBB: Well, Mr. Chairman, that is one view. I am not disposed to quarrel with my hon. friend on the subject, but I would point out that representations have been made to us by people associated with the Canadian Pacific Railway, the Canadian National Railway, banks, and mining institutions of Canada, that we do not sufficiently advertise Canada overseas, that Australia advertises far more than Canada does, and they have represented to us that we should increase this grant rather than diminish it. It is pretty fair and pretty cheap advertising.

Mr. CHAPLIN (Lincoln): Would the minister confer with the Minister of Finance and see if he could not cut this item out?

Mr. HANSON: He would be doing a favour to the taxpayers of this country.

Mr. ROBB: My hon. friend is quite right in saying that the matter was introduced and brought to the attention of the government by the Prime Minister of the day, but it so happened that the Prime Minister was the Right Hon. Sir Robert Borden. It was reported on by Mr. M. E. Nichols, a journalist of experience, at that time Director of Information, the draft agreement having been approved by the Department of Justice. Final action by the government was, however, deferred pending further discussion of the subject with Sir Roderick Jones, Chairman and Managing Director of Reuters, who was expected to be in Ottawa in August of that year to attend the Imperial Press conference. It was in September, 1920, therefore, that the matter was taken up by the Right Hon. Mr. Meighen, the Prime Minister. Sir Roderick laid the proposal fully before Mr. Meighen at an interview in the Prime Minister's office. Mr. Meighen expressed his appreciation of the value to Canada of such a scheme of news publicity, and doubtless would have dealt with it in practical detail had not other pressing public duties prevented his consideration.

Mr. CHAPLIN (Lincoln): The minister told us a minute ago that the contract had about expired.

Mr. ROBB: The contract expires on July 31 of this year.

Mr. CHAPLIN (Lincoln): It has served its purpose. Surely we can get rid of some of these things. They are cropping up every day, and we might as well start now and get rid of one of them.

Mr. HANSON: There is another reason. Once an item of this character gets into the estimates it takes several tons of dynamite to get it out. The Minister of Trade and Commerce has a chance to do his friend the Minister of Finance a good turn. Do not let him get away from the opportunity to save a little money for the country. Vote one-half of it to 31st July, or if necessary one-fourth, but let us try to save some money here tonight.

Mr. CHAPLIN (Lincoln): If the minister wants a hand I will move to strike it out.

Mr. ROBB: No, my colleague will move it.

Mr. DUNNING: I do not think my first motion in this House can be a better one than that indicated by the Acting Minister of Trade and Commerce.

Mr. HANSON: No, we indicated it.

Mr. DUNNING: I move that this item be reduced by $16,000.

Amendment agreed to.

Item as amended agreed to.

Mr. ROBB: The next item is $1,430,000 for administration of the Canada Grain Act. I understand there are a number of hon. gentlemen ill who desire to speak on this item. I will therefore consent to its going over to another sitting.

9 p.m.

Mr. LANGWORTHY: May I say a word on that item?

Mr. ROBB: Some hon. members have asked me to defer consideration of the item until a later sitting. If my hon. friend will keep in touch with the whip we will not bring it up until he is present.

Mr. BROWN: Does that also refer to the other two related items, as to the management and equipment of elevators?

Mr. ROBB: I think we may as well leave them all so that hon. gentlemen interested can all be present at the discussion.

Dominion Bureau of Statistics (including 1926 census), $625,000.

Mr. ROGERS: This item will require some explanation.

Mr. ROBB: I was just going to make an explanation. I understand that under the act we have to take a census every five years in the three western provinces, and the additional amount this year is to provide for that extra expenditure. This vote provides for:

General contingencies of the bureau, including salaries of temporary employees, criminal and vital statistics, travelling expenses of the Dominion statistician and his staff; freight and express; telephone and telegraph; newspapers and periodicals; rental of tabulating and sorting machines..	$110,000
Completion of 1921 census (6th Census).. ..	10,000
1926 Census:—	
Field work (actual cost of 1921 census of prairie provinces, plus 15 per cent).. ..	415,000

We have added fifteen per cent to the cost of the 1921 census of the prairie provinces, and the amount is $415,000. There is also the temporary staff at Ottawa, $80,000, and contingencies and stationery, $10,000.

Mr. HANSON: I understand that this census is taken in the three prairie provinces under an act, passed some years ago, and it has the effect of automatically increasing the annual subsidies to these provinces every five years, instead of every ten years, as is the case in other provinces. Why should that position obtain? It is an unfair advantage that the three prairie provinces have over the other provinces. The other provinces have to wait until the decennial census is taken before they get any increase. Of course it may be urged that this is a part of a bargain, but I do not see how it can be a bargain, because they were not provinces, as I recollect it, at the time this legislation was passed.

Is it the intention of the government to follow the practice adopted in 1921 by the late government when census enumerators were appointed and to see that those enumerators are selected, wherever possible, other things being equal, from returned soldiers? That practice was adopted in New Brunswick with very marked success, and the men who did the work did it as well as it was ever done—perhaps better. I commend the suggestion to my hon. friend—it is in his department—that the enumerators for the census be not employed simply because they are supporters of a certain party, but that returned soldiers be appointed.

Mr. ROBB: I think the commissioner will probably follow the same procedure as was adopted in 1921.

Sir HENRY DRAYTON: But will he be allowed to do it?

Mr. ROBB: I can assure my hon. friend I have not time to interfere with him.

Sir HENRY DRAYTON: But there are others.

Mr. ROBB: In answer to the question of my hon. friend (Mr. Hanson) as to why the census is taken every five years instead of every ten years, it is because in 1918 an act was put through providing for it.

Mr. HANSON: But previous to that time was there any such legislation?

Mr. ROBB: There has been a decennial census for some time. I imagine Sir George Foster brought it in because of demands made from western Canada, and it is quite a reasonable proposition. The drift of immigration coming into the country has been going largely to the western provinces. They have on that account to provide additional schools and highways and additional expenses are involved in that country.

Mr. HANSON: If we take to heart what we have heard from our friends on my left for the last three or four years—not this year, but previously—we would imagine that the country was going to the bow-wows. I listened to the lamentation of the hon. member for Bow River (Mr. Garland) when he sat in the centre of the House, that the western country was going behind. Has there been a natural increase in the population of western Canada since this government came into power, or is it on a par with the other provinces in that respect? I see no reason why the prairie provinces should have the census taken every five years, any more than the other provinces should. If they have it, we should have it. I do not see why any province should have it. It is an additional expense the country should dispense with, and the proper course is to repeal the act and save half a million dollars.

Mr. BURY: May I ask whether all the census enumerators have not already been appointed?

Mr. ROBB: I really do not know, but I imagine they have been, because they have to get down to work very soon.

Mr. BURY: I understand every one of them has been appointed.

Mr. ROGERS: Are they appointed by the Civil Service Commission?

Mr. ROBB: No, I think not.

Sir HENRY DRAYTON: On whose recommendation? Are they appointed by order in council?

Mr. ROBB: I do not think so.

[Mr. Robb.]

Mr. HANSON: Are they appointed by the local member, or does the defeated candidate send in his recommendation to the patronage committee?

Mr. ROBB: I do not know that there is such a thing as a patronage committee. I understand the commissioner has followed the same course as he did in 1921.

Mr. BURY: I understand the minister made the appointments.

Mr. ROBB: Well, I have not found any order in council.

Mr. BURY: That is the information I have.

Mr. ROBB: Has the hon. member a nomination to make?

Mr. BURY: I had one or two applications to make, and I was instructed every position was filled.

Mr. HANSON: I made a suggestion to the minister which he ought to consider seriously, and that is the repeal of the act providing for the census in the prairie provinces every five years. He will save the taxpayers of the country at least half a million dollars every five years, and that will go down as an eternal monument to him. The matter is worthy of consideration, if he can save the treasury that much money every year.

Mr. ROSS (Moose Jaw): The population of western Canada has not been going down; it has been increasing continuously. This census will show a big increase. I think the act should remain as it is, and that we should have our five-year census. The longer this government stays in power the more immigration will come into the country.

Mr. HANSON: I do not think I said that the population of the three prairie provinces had been going down, but I quoted the representatives from the prairie provinces in the last three years who stated that such was the case.

Mr. ROSS (Moose Jaw): The hon. gentleman spoke of lamentations. The only lamentations we have heard have been from the party sitting to the left of the Speaker.

Sir HENRY DRAYTON: The hon. member, who has been here such a short time, does not know anything about the history of his province.

Mr. DUNNING: He was born in it.

Sir HENRY DRAYTON: Here is another gentleman who does not know anything about what is being said here. He only knows the Progressives on the public platform when he calls them names. But I really rose to ask whether the answer of the minister is really serious when he refers to the legislation of 1918 as the legislation which made necessary this expenditure. I am inclined to think that the legislation of 1918 was merely legislation which had to do with the Dominion Bureau of Statistics, and which simply continued an existing statutory requirement. It is entirely wrong to proceed on the idea that this is a new thing.

Mr. ROGERS: It is part of the legislation of 1905.

Sir HENRY DRAYTON: I am inclined to think so.

Mr. EDWARDS (Frontenac): May I ask when these enumerators begin their work?

Mr. ROBB: The act respecting the Dominion Bureau of Statistics provides that a census of population and agriculture in the provinces of Manitoba, Saskatchewan and Alberta shall be taken by the bureau under the direction of the minister, on a date in the month of June in the year 1926, to be fixed by the Governor in Council, and every tenth year thereafter.

Mr. EDWARDS (Frontenac): They begin their work in June. Can the minister tell me how many officials or enumerators are required for this work, and how many have already been appointed?

Mr. ROBB: The following is a report of the Civil Service Commission on the subject:

The Civil Service Commission has under consideration the question of the selection of the necessary staff for the taking of the quinquennial census for the prairie provinces, 1926. These appointments are of a temporary nature and consist of two divisions: (1) The census commissioners and census enumerators located in the prairie provinces; approximately 2,400 census enumerators will be required, whose term of employment will not usually exceed thirty days. There will also be about fifty-five census commissioners, one for each census district, who will be employed for a period not exceeding six months. The census commissioners and enumerators for the Dominion census of 1921 were exempted under section 38a from the provisions of the Civil Service Act, P.C. 2526, October 23, 1920, and the selection of these employees was left to the Department of Trade and Commerce, P.C. 1205, April 12, 1921.

It is recommended that a similar procedure be followed in the case of the quinquennial census for the prairie provinces 1926, and that the temporary census commissioners and enumerators be exempted from the operation of the Civil Service Act, and the selection of these employees be made by the Department of Trade and Commerce.

On this occasion the procedure of 1921 is being followed.

Mr. EDWARDS (Frontenac): Have any of these officials been appointed yet?

Mr. ROBB: I fancy they have.

Mr. EDWARDS (Frontenac): How many?

Mr. ROBB: I hope they have all been appointed, because they must get to work and it is necessary that they be instructed first.

Mr. EDWARDS (Frontenac): They do not get to work until June.

Mr. ROBB: Yes, but they must be schooled in April. My hon. friend knows that in every census a man must be sent from the department to instruct the commissioners in the rules, and these commissioners must meet the various enumerators.

Mr. EDWARDS (Frontenac): If they have been appointed already for the purpose of this schooling to which the minister refers, that brings up another point. On whose recommendation have they been appointed, and do these recommendations come from the various localities? I might ask the hon. gentleman (Mr. Dunning) who sits immediately behind the Minister of Finance to inform the committee, if he can, whether any of these officials were appointed in Regina a short time ago, and if so, how many?

Mr. ROBB: Probably my hon. friend was not following me while I was reading the recommendation of the Civil Service Commission that the procedure of 1921 be followed.

Mr. BURY: If the appointments are made by the minister's department, who in that department makes them?

Mr. ROBB: Mr. Coats makes them on the recommendations he receives, and naturally he will consult with the people in that part of the country.

Mr. BURY: I understand from Mr. Coats that he does not make the appointments. I gathered from what the minister read and from what he stated, that his own department makes them, and not the Bureau of Statistics, although I may be wrong in that regard.

Mr. ROBB: When the matter was brought to my attention I asked an officer in my department to consult with the representatives of western Canada and have the nominations made so as to get the matter concluded. I have not heard from him since.

Mr. BURY: That does not meet my point.

Mr. ROBB: I do not think my hon. friend was here in 1921 when the nominations were made at that time.

Mr. BURY: My point is that if the nominations rest with the department, whether the department obtains recomendations from the Bureau of Statistics or not, the appointments have been made by the department. I want to know who actually made those appointments or who has knowledge of their making.

Mr. ROBB: If my hon. friend has recommendations to make and the positions are not all filled, I shall be glad to consider suggestions.

Mr. DUNNING: One practical suggestion was made by an hon. member opposite with reference to the vote before the House, namely, that the amount might be reduced by means of an amendment to the act which provides for a quinquennial census in the prairie provinces, in place of the decennial census which is taken throughout the rest of Canada. I have looked into the matter and I find that the quinquennial census in the prairie provinces is provided for in the acts creating those provinces. Constitutional lawyers in the House will correct me if I am wrong, but in my opinion this House cannot now amend those acts. An imperial act is necessary to amend the autonomy legislation creating the western provinces inasmuch as they are now under the provisions of the British North America Act.

Mr. EDWARDS (Frontenac): They did not hesitate when the autonomy acts were passed to override the spirit and letter of the British North America Act.

Mr. ROGERS: What purpose does the expenditure of this $500,000 really accomplish? What service is rendered by the taking of the census? The three prairie provinces get an annual subsidy from the Dominion of some five or six hundred dollars. Would it not be better to vote that money to the provinces direct instead of spending it in an idle manner, such as is proposed, for patronage purposes? Give us the $500,000 direct. It would be of greater benefit to the provinces than it can be when spent in the way suggested.

Mr. ROBB: As the Minister of Railways (Mr. Dunning) has pointed out, this matter is subject to the British North America Act, and any amendment can be made only by an imperial statute. My hon. friend (Mr. Rogers) asks me what service is accomplished. Well, the Department of Finance will know that next year when an additional claim is put in.

Mr. ROGERS: But you can save an added subsidy by dividing the $500,000 among the provinces now.

Mr. ROBB: Does the hon. member suggest an amendment to the act?

Mr. WHITE (Mount Royal): The Minister of Railways has said that we have an act of parliament which is subject to amendment only by imperial legislation, in respect of the quinquennial census. What disturbs my mind is this question: What purpose is served by taking a five-year census rather than a census every ten years? Does it mean that if the population increases in the western provinces we shall increase the subsidy accordingly?

Mr. STEWART (Edmonton): That is so.

Mr. WHITE (Mount Royal): If the result of taking that census does not involve some such readjustment, why do we take it? If it is merely a duplication of work, I say the expenditure is excessive and unnecessary. If, on the other hand, the statute which we have validated in this House requires amendment, and can only be amended by act of the imperial parliament, I submit we should take appropriate steps to that end. Is not that reasonable? For what purpose are we voting this money? I care not whether the census enumerators entertain political opinions favourable to that side or to this side of the House; that does not appeal to me in any way; what I am thinking of is the unnecessary expenditure of public money. If we can prevent we should do so.

Mr. MACLEAN (York): Mr. Chairman, last night I heard the hon. member for Argenteuil (Sir George Perley) announce that we could get the British North America Act amended at any time we desired. Here is an opportunity to ask the imperial parliament to take action. Then we could save the money covered by this vote.

Mr. DUNNING: I had no other intention than to state what were the facts with regard to the possibility of this parliament repealing the provisions affecting the quinquennial census in the prairie provinces. As to what the quinquennial census accomplishes with respect to those provinces, I read from the Saskatchewan act, section 18, subsection B:

> A census of the said proivnce shall be taken in every fifth year reckoning from the general census of 1901, and an approximate estimate of the population shall be made at equal intervals of time between each quinquennial and decennial census; and whenever the population, by any such census or estimate, exceeds 250,000, which shall be the minimum upon which the said allowance shall be calculated, the amount of the said allowance shall be increased accordingly, and so on, until the population has reached 800,000 souls.

Then of course the terms of the general act apply. Now, as to the effect of the coming census, may I say with respect to the province with which I am most familiar that at the census of 1921, if I recollect correctly, the population of Saskatchewan was 757,810. On the basis mentioned in the section which I have read, which provides for an estimate to be made by the Bureau of Statistics at equal periods between the quinquennial and decennial census, we are now being paid a subsidy on a population of 828,600, so that an increase in population in two and a half years from 757,000 to 828,000 has been recognized by the authorities who have to do with this matter. I am satisfied from my knowledge of conditions in the west, and I feel sure that other members on both sides of the House will bear me out, that the 1926 census will demonstrate a further steady growth in proportion to the growth to which I have just been referring. As far as the item itself is concerned, we cannot change it; we are bound by statute to provide for it. As to appealing to the imperial parliament, I feel sure they would want to know what the provinces concerned thought about amending the conditions under which they entered confederation.

Mr. EDWARDS (Frontenac): I am not quite clear why the minister brings in the imperial parliament. The bills of 1905 were passed by this parliament and as far as I know they have never been ratified by the imperial parliament. They are therefore in every sense Canadian statutes, if I understand correctly.

Mr. DUNNING: I must leave that to the decision of the constitutional lawyers in the House.

Mr. LADNER: Did the minister quote from an imperial or federal act?

Mr. DUNNING: An act of this parliament.

Mr. GEARY: Mr. Chairman, if the taking of the census is to establish the rate at which Saskatchewan is to be paid, it is not treating the province fairly not to take the census, so I do not think we need bother about the law. If the payment of the subsidy to Saskatchewan depends upon that, I think we should certainly let the item pass.

Some hon. MEMBERS: Hear, hear.

Mr. GEARY: I wish my good friends opposite had deferred their applause just for a moment. I was going to suggest that probably the province of Saskatchewan will be in no danger since the appointments are made.

Mr. QUINN: May I ask the Minister of Railways if he will show as much concern for the province of Nova Scotia with regard to the terms under which it came into confederation?

Mr. DUNNING: Mr. Chairman, so far as I can I shall be happy to give consideration to the fairness of any matter presented to this House by any hon. member on behalf of any province.

Mr. QUINN: I am glad to know it.

Mr. HANSON: May I pursue that thought of the hon. member for Halifax (Mr. Quinn) a little further and ask the Minister of Railways if he will extend similar consideration to the reduction of freight rates, a subject that he dilated upon in Winnipeg the other day?

The CHAIRMAN: The question is out of order.

Sir HENRY DRAYTON: There is no doubt at all that we have to take the census, although it is not for the reason given by the hon. Minister of Railways. He need not raise any bogey about imperial acts or anything of the kind. We take the census because it is provided for by our own law. But notwithstanding that fact, with great deference to the minister I submit that the item can be discussed. For example, we might discuss why it is that the amount is increased $85,000 over the grant made in 1921. What is the reason for the increase?

Mr. ROBB: The estimate was made up by the census commissioner who has been taking the census for a number of years. He added 15 per cent to the previous estimate.

Sir HENRY DRAYTON: But what is the basis of the 15 per cent?

Mr. ROBB: I assume he estimates it on the growth of the population. He does not necessarily spend the money.

Sir HENRY DRAYTON: What is the rate of remuneration paid?

Mr. ROBB: The rates and classification are the same as in 1921: Census clerks: grade 1, $780; grade 2, $840; grade 3, $900. Census audit clerks: grade 1, $960; grade 2, $1,020; grade 3, $1,080. As in the Dominion census of 1921, it is intended that eligibles shall be appointed as census clerks grade 1 and census audit clerks grade 1, and be promoted to the higher grades as their services warrant.

Sir HENRY DRAYTON: But that has to do with the office clerks here, as I followed my hon. friend.

Mr. ROBB: Possibly.

Sir HENRY DRAYTON: If he will just remember what his learned colleague the Minister of Railways was telling him, what is he going to pay the commissioners in the first place, and then the enumerators?

Mr. DUNNING: While the minister is looking that up, might I just read the authority for the bogey which my hon. friend—

Sir HENRY DRAYTON: I thought we were rid of that. If you like, we can argue it; if the hon. member wants to kill time he can do so.

Mr. DUNNING: This is a matter of some importance. I am not one of the learned members of the House, as is my hon. friend, but I can at least read the English language.

Sir HENRY DRAYTON: Hurrah.

Mr. DUNNING: I read now from section 6 of the British North America Act, 1871, an amendment to the act which is entitled "An Act Respecting the Establishment of Provinces in the Dominion of Canada" and which empowers and sets forth the terms under which this parliament may create new provinces in Canada. Section 6 reads as follows:

Except as provided by the third section of this act, it shall not be competent for the parliament of Canada to alter the provisions of the last-mentioned act of the said parliament in so far as it relates to the province of Manitoba, or of any other act hereafter establishing new provinces in the said Dominion, subject always to the right of the legislature of the province of Manitoba to alter from time to time the provisions of any law respecting the qualification of electors and members of the legislative assembly, and to make laws respecting elections in the said province.

As I say, I am not a constitutional lawyer, but surely the language is plain:

It shall not be competent for the parliament of Canada to alter the provisions of the last-mentioned act of the said parliament in so far as it relates to the province of Manitoba, or of any other act hereafter establishing new provinces in the said Dominion.

I am not arguing, Mr. Chairman; I am merely stating what is taken to be a fact.

Sir HENRY DRAYTON: As I said before, there is no necessity for raising the bogey. It is our act and we observe it.

Mr. DUNNING: This is the British North America Act, an imperial act of 1871.

Mr. CANNON: My hon. friend does not argue this point seriously, does he?

Sir HENRY DRAYTON: I do not know what my hon. friend is talking about. I am not arguing anything.

Mr. CANNON: If my hon. friend is not arguing why does he not sit down?

[Mr. Robb.]

Sir HENRY DRAYTON: My hon. friend—

Mr. MacLAREN: Mr. Chairman, I can quite understand the reason for a quinquennial census being taken some years ago. At that time the new provinces were adding to their population rapidly, and perhaps it was an uncertain stage. It seems to me that at that time it was fair to have a quinquennial census, but now conditions are more stabilized; we have not the same rapid growth in those provinces and the occasion for such a frequent census does not now exist. Of course it is the law, but if it is to the advantage of everyone to do so, the law may be changed. I understand that the subsidy per capita increase from the Dominion government for five years amounts to less than $500,000. Perhaps the Minister of Railways would inform me of the difference in those amounts.

Mr. DUNNING: May I be permitted?

Mr. MacLAREN: Yes.

Mr. DUNNING: If the cost for the three prairie provinces is as estimated, $500,000 for the quinquennial census, the increase in each of the three prairie provinces multiplied by 80 cents per head for each of the years involved would be the aggregate sum for comparison. I cannot tell my hon. friend what that would be, but offhand one would say it would amount to more than $500,000 in the course of five years.

Mr. MacLAREN: I cannot say what the amount is, only I have been informed that the actual increase would not exceed, $500,000. That may not be, but there is not much difference between the two figures, and therefore I suggest that it is very poor business to expend $500,000 for the purpose of granting the three prairie provinces another $500,000 or thereabouts. And I think it is well worth the attention of the minister to consider whether some change, which would not interfere with the grants given to the three prairie provinces, might not save a considerable sum of money.

Mr. GUTHRIE: Just a word in regard to the quinquennial census. There were two objects in view when the legislation of 1905 was passed. The quinquennial census was enacted in that year in the first place for the purpose of fixing the representation of the new provinces. It was provided by section 6 of the act that the representation of Alberta and of Saskatchewan should be fixed at the next quinquennial census, which would be in the year 1911, and the proportion of representation was fixed by section 6. But it was only for that

particular year, 1911, because subsection 2 of section 6 says:

The representation of the said province shall thereafter be readjusted from time to time according to the provisions of section 51 of the British North America Act, 1867.

So that the quinquennial census, since 1911, has had nothing to do with the representation of the new provinces. That is now adjusted in accordance with section 51 of the British North America Act, which provides for adjustment after every decennial census. The other purpose of the quinquennial census was in regard to the fixing of the subsidy, but the period has arrived when that is of no effect in regard to Saskatchewan. It is provided that when Saskatchewan has a population of 800,000 there shall be no progressive readjustment of the subsidy. The last clause of section 18 provides:

The amount of the said allowance shall be increased accordingly.

That is, from $250,000 up.

—and so on until the population has reached 800,000 souls.

There is an exactly similar provision in the Alberta act. If Saskatchewan had a population of less than 800,000, we could do nothing but take the quinquennial census, but I understand it is admitted by the Bureau of Statistics and by the government itself that there were, two and a half years ago, 829,000 souls in the province of Saskatchewan. Consequently their subsidy is fixed, as is the subsidy of every other province of Canada, so there is no necessity for a census in that province at present. In Alberta the case is different; the population of Alberta has not reached the 800,000 mark, therefore we are bound to take the census for the purpose of fixing the subsidy, but not for the purpose of representation in this House. I think the minister would be well advised to reconsider this measure and provide that no census be taken in Saskatchewan, if it be so that the population has already been ascertained as over the 800,000 mark.

Mr. LADNER: The Minister of Railways has created a rather impossible barrier by the contention that any act altering the provision for the quinquennial census would have to be an imperial act. He admitted that he was not a constitutional lawyer. If he will read section 146 of the British North America Act dealing with the creation of other provinces, and then turn to the very act from which he has read, which is the British North America Act of 1871, he will see in section 2 that:

The parliament of Canada may from time to time establish new provinces in any territories forming for the time being part of the Dominion of Canada, but not included in any province thereof, and may, at the time of such establishment, make provision for the constitution and administration of any such province, and for the passing of laws for the peace, order, and good government of such province, and for its representation in the said parliament.

So the inherent jurisdiction rests with the parliament of Canada to make a law dealing with just such a question as that to which the minister has referred, and I submit that, apart from the contention of the last speaker with respect to the abandonment of the vote, consideration should be given to the wisdom of extending the time for taking the census and making it co-ordinate with the census taken in the other provinces.

Mr. DUNNING: Dealing with the point made by my hon. friend from South Wellington, that the province of Saskatchewan does not now need a quinquennial census because it has passed the 800,000 population mark, which is given in the Saskatchewan act and in the Alberta act as the limit for change under their per capita subsidy, I would again call his attention to section 20 of the same act, which provides for compensation in lieu of the lands of these provinces which were retained by the Dominion at the time the provinces were created. There he will find:

Inasmuch as the said province will not have the public land as a source of revenue, there shall be paid by Canada to the province by half-yearly payments, in advance, an annual sum based upon the population of the province as from time to time ascertained by the quinquennial census thereof, as follows:—

The population of the said province being assumed to be at present two hundred and fifty thousand.

And so on. It provides that thereafter, until such population reaches 800,000, the sum payable shall be such and such; and thereafter, until such population reaches 1,200,000 the sum payable shall be such and such. It is important therefore to continue the engagement with the province of Saskatchewan. In quoting this in the first place I was not speaking from the point of view of the province of Saskatchewan, but merely with a desire that the House should be clear with respect to something with which I happened to be familiar. So far as the other two provinces are concerned, they have not even yet reached the 800,000 population mark, which is important to them with respect to the per capita subsidy. We must consider them also.

In regard to the point raised by my hon. friend from Vancouver South, the act from which I read, the British North America Act, 1871, was an amending act, amending the act from which my hon. friend read.

Mr. LADNER: No, I read from the amending act of 1871.

Sir HENRY DRAYTON: As I said before, I really think there is no necessity for anything except making speeches on this question. There is our act, and we have to live up to it, and we intend to; there is no question about that, and all this to the contrary is just so much of a bogey. The duty is upon this parliament, as I see it, to carry out this quinquennial census. If the Solicitor General had been in when I was speaking before, he would have known that I was not making an argument; I was simply saying we were bound to do it, but with his customary lightheartedness he rushed in and said something that was wrong. He is not often wrong, but we all make mistakes sometimes. But let us get down to the business of this item. I was asking the minister what the rate of remuneration was to the different gentlemen who are going to get employment. We have not yet found out how they are employed, what qualifications are required, who is recommending them, or anything else.

Mr. ROBB: The rates are to be exactly the same as in 1921. I will give my hon. friend a memorandum of the expenditure in 1921. There were 243 commissioners; their allowance was $77,500; travelling expenses and disbursements, $13,009.96; recording, $113,451.80, or a total of $203,961.76. Then for field work for the general census—

Sir HENRY DRAYTON: That is more extended.

Mr. ROBB: I will get that for my hon. friend if he desires.

Sir HENRY DRAYTON: My hon. friend seems to have given a very excellent reason why he can assist himself as Minister of Finance. The whole cost of doing this work in the 1921 general census, when more particulars have to be taken, was only $415,000.

Mr. ROBB: Oh no.

Sir HENRY DRAYTON: I took that figure down, that the cost of the census work in the three prairie provinces in 1921 was $415,000.

Mr. ROBB: No. The 1921 census was the general census, and the cost of the field work was $1,184,652.10.

Sir HENRY DRAYTON: That is for the whole country?

Mr. ROBB: The cost of the general census of 1921 was $2,122,052.

Sir HENRY DRAYTON: Can my hon. friend tell me where he gets that item of $415,000 as the cost for 1921?

Mr. ROBB: That was the estimate they gave me for this work. The actual cost of the 1921 census in the prairie provinces was $415,000. Then there is the temporary staff at Ottawa, $80,000; contingencies, stationery, punch cards, telegrams and so forth, $10,000. This estimate of the cost of the field work anticipates approval of the rates that prevailed in 1921.

Sir HENRY DRAYTON: Is this correct, that $415,000 is not an exact figure at all, but merely an estimate?

Mr. ROBB: Merely an estimate.

Sir HENRY DRAYTON: Then I do not press it. My hon. friend has not told me, for example, how many of these gentlemen who have been appointed are returned soldiers.

Mr. ROBB: I could not give that information.

Sir HENRY DRAYTON: That was the rule that was observed before, and we were to have the same rule obtaining this time. I think we should know whether the rule is being followed.

Mr. ROBB: I would say offhand, although I do not know, that any man in western Canada who did not follow that rule might find himself in trouble with the people in western Canada, because there is no part of Canada that contributed so largely to our effort overseas as the western prairie provinces.

Mr. BOYS: Do I understand the minister to say that the cost of the last decennial census in all Canada was something over $1,000,000, and that the cost in the three prairie provinces was something over $400,000? Surely that cannot be right. The cost of taking the census in the three prairie provinces could not amount to nearly half the cost of taking the census all over Canada.

Mr. ROBB: I have this estimate given me by the statistician who conducts the census. The total expenditure for the census of 1911 was $1,316,415.35. The expenditure for the 1921 census was $2,122,052.

Mr. HANSON: Is that for the field work or was it the total expenditure?

Mr. ROBB: They did not give me that information.

Mr. HANSON: I understood the minister to say the cost of the field work for the Dominion was something over a million dollars, and that of the field work for the three prairie provinces $415,000. It seems

[Mr. Ladner.]

incomprehensible to us that the cost of the field work for the three prairie provinces should be approximately 40 per cent of the whole. There must be some mistake about that, or else the rate of wages there is higher.

Mr. STEWART (Edmonton): No, there is no higher rate of pay. The work is paid for at so much per head, and I have heard repeated complaints from the field men that they do not get enough for the services they perform. It is not a question of paying so much per month, it is a question of the work performed and the names turned in.

Mr. HANSON: Has there been any increase in the amount asked for in connection with the Bureau of Statistics? While I am on my feet I should like to say that while I do not avail myself very much of the activities of the bureau—and I rather think I should because I believe it is a very excellent institution—I have heard in days gone by numerous complaints from merchants, manufacturers and employers of labour that the multiplicity of the demands made by the bureau for statistics has proven to be a perfect nuisance to the office managers of those concerns. The concerns in question are threatened with dire pains and penalties if they do not fill up the forms forwarded to them and give the information asked for. Now, it is necessary for every country to have some system of statistics and these statistics are sometimes of very great value. But the difficulty probably in this case is that the Bureau of Statistics is embracing too many subjects, requiring too much information, and taking up too much of the available time of commercial executives. I have in my mind one of the largest pulp and paper concerns of the country whose secretary is not only assistant general manager, but discharges a multitude of other duties. This gentleman tells me that the demands made upon him from time to time by the Bureau of Statistics are overwhelming. I wish the minister would give some attention to the complaint. Perhaps the existing system could be simplified. The complaint is not a new one; I know that in days gone by it has been voiced by other members on both sides of the House. Perhaps the minister would look into the matter and see if he cannot devise some method which will remove these complaints on the part of businessmen.

Mr. ROBB: I will.

Mr. LADNER: Has the government under consideration negotiations with the province of Saskatchewan similar to those conducted with Alberta as to the question of natural resources? May I ask also whether the subsidy will be paid to Alberta when it receives back its natural resources?

Mr. ROBB: The latter question might very properly be answered. My hon. friend's first question has nothing whatever to do with this matter, although if I had the information I would willingly give it to him. I think the arrangement made with Alberta was tabled and is available to my hon. friend.

Sir HENRY DRAYTON: Cannot my hon. friend yet tell me how the men for this work are appointed, how many there are, and on whose recommendation they are chosen? We are voting this money; we have got to spend it, and we might just as well find out how it is to be disbursed—and how these appointments are to be made.

Mr. ROBB: I have already stated—perhaps my hon. friend was out at the time—that when the commissioner asked for recommendations I instructed my secretary to see the western men, and I have not heard from him since. I imagine the appointments have been made on the recommendations of western men. At any rate, I hope they have all been made because I do not want to be bothered with them any more. Let me say this to my hon. friend in all seriousness: If the conditions were reversed and my hon. friend were over here I would not challenge his judgment as to making the appointments.

Sir HENRY DRAYTON: I am not going to challenge my hon. friend's judgment at all. The trouble is that he has never exercised it.

Some hon. MEMBERS: Order.

Sir HENRY DRAYTON: I wonder if it is an offence to take a minister of this government, whose veracity I happen to believe in, at his word? It is not so many moments since the hon. gentleman said that when applications came in for appointments all he did with them was to hand them to his officials and ask them to get the views of western members thereon, that he did not want to be bothered with them. Because I take the hon. gentleman at his word his supporters are so amazed that they call "order".

Mr. STEWART (Edmonton): You need not get mad, though.

Sir HENRY DRAYTON: There really is at least one minister of this government whose word the House can accept, but apparently

his supporters are amazed at the fact. Now my hon. friend said he has not appointed these people; he has deferred the matter to his officials; he has given gentlemen from the west—and I do not know what gentlemen—the right of making these appointments. I do not think my hon. friend has got the list, I do not believe he knows anything about it. I am of the opinion that instead of the minister taking the responsibility of making these appointments the matter has been handed over to "the best political organization in the west" and if our reports are true "the best political organization in the west" is now represented here. Perhaps we should ask that political organization for the list; the minister has not got it. Surely the committee is entitled to a little better information than that. If my hon. friend has not made these appointments—and he says he has not—we are entitled to know who has made them. Surely the House is entitled to know a little bit about the country's business, what the qualification for these appointments were, and whether or not the returned soldier is being looked after in connection with them? My hon. friend does not know. Perhaps some of these gentlemen from the west can tell us whom they appointed.

Mr. HANSON: I have no wish to hold up this vote, but in view of the practice established in 1921 when returned men were given the preference, and the statement that the department has the appointing of these men, I should like to know if the minister can state now or at some future time what percentage of the appointees are returned men.

Mr. ROBB: I shall be glad to do that. I will bring down also a complete return, if it is available, with respect to the appointments of 1921. I do not admit they are all returned soldiers, but I accept my hon. friend's word.

Mr. HANSON: Nobody said they were all returned soldiers. What was said was that, other things being equal, where returned men were available they were appointed. In my constituency that rule was carried out to the letter.

Mr. STEWART (Edmonton) Surely my hon. friend had nothing to do with the appointments in 1921.

Mr. HANSON: I happened to have the misfortune of running an election just before the census was taken, and had to run another one just after it was taken.

[Sir Henry Drayton.]

Mr. GUTHRIE: I rise to make a correction. The Minister of Railways pointed out to me that the act of 1905 in respect to Alberta and Saskatchewan, which he and I were discussing, had actually been superseded in regard to the question of provincial subsidies by the act in amendment of the British North America Act in 1907, on an address of the Senate and the House of Commons of Canada. By the British North America Act, 1907, these subsidies are now fixed in all provinces according to population, starting with a population of 150,000, and running up to a population of 1,500,000, but with respect to Manitoba, Saskatchewan and Alberta, the quinquennial census is still the determining factor as to population. I see now the necessity of taking the quinquennial census, as the British North America Act, 1907, is based on the population, and the population for the three prairie provinces has to be fixed by the quinquennial census.

Sir HENRY DRAYTON: I do not know whether my hon. friend has yet given me the information I asked for. Can he not give me a list of the names? Can he not give at least the names of the commissioners who have to carry on this business? Surely there is not such a mystery about how it is being done that the information is kept secret from the minister. I am not asking for a list of a host of small employees, but I do submit that it is the easiest thing in the world to say who the commissioners are and who is responsible for their employment. It is ridiculous that we should be asked to pass this item, providing, as it does, for the appointment of a whole lot of commissioners who are already appointed, not by the minister, but on the say-so of certain western gentlemen, and to pass it without the granting of a reasonable request for information.

Mr. ROBB: I will undertake to give my hon. friend a complete list of the commissioners. He does not want the enumerators.

Sir HENRY DRAYTON: No.

Mr. ROBB: And if he desires it, I shall be glad to table the list of 1921. I will take the responsibility for the nominations in my department and say frankly, "upon the recommendation of so and so."

Mr. NICHOLSON: With regard to the point raised by the hon. member (Mr. Hanson), I think we all appreciate the very excellent work the statistical branch performs, but I would urge that some consideration be given to those from whom a large variety

of statistics are received. Anyone who has had anything to do with business organizations—and I think the Minister of Finance will agree with me in this—will realize that for ten or twelve years there has been a burden imposed on office organizations that has increased the clerical cost of carrying on the ordinary business of the country by forty to fifty per cent, due to the amount of statistics continually being asked for. In order to comply with these requests it is almost impossible for an ordinary business man to do anything else than furnish statistical records, many of which are never looked at after they are compiled, because they are of no public service whatever. They do not accomplish anything; there is a considerable cost for compiling, printing and so on, and in reality they serve no real purpose.

Mr. BURY: The impression I had from the minister's statement was that he would give the western members a chance of submitting some names, and I was going to ask him if he would delay bringing down the list until I have had a chance of submitting names.

Mr. CAMPBELL: I find myself very much out of harmony with my hon. friend in his criticism of the Bureau of Statistics. I think it is one of the best departments of the government and that it should be maintained. Speaking for the group in this section of the House, we make use of these statistics to a great extent, and I think it is very important that we should have those figures available, compiled regularly as they are, at stated intervals. They are reliable and accurate, and I would protest strongly against any effort to reduce the efficiency of that bureau. I ask the minister if there is any reduction in the estimates for the bureau itself this year. The amount for the Bureau of Statistics and the amount for the census are under the one head, and it is rather difficult to know whether there has been any reduction in the amount for the bureau itself.

Mr. NICHOLSON: I appreciate the work of the Bureau of Statistics as thoroughly as my hon. friend or any other hon. member. I do not want to see the Bureau of Statistics made less efficient, but I am confident that it can in reality be made more efficient in matters of vital concern, leaving out matters of detailed statistics which can be of no public service whatever. There is not a business office in this country that is not called upon to furnish periodically all through the year a mass of details which cannot serve any public purpose. If only the essentials are looked after, the Bureau of Statistics will be able to give my hon. friend and his friends all the information they require on matters of a public character; it will render a service to this House and to the country and will place no unnecessary burden on business organizations and executives. The statistics we got ten years ago were just as satisfactory as those which are furnished to us now; but if you go into any industrial concern in this country you will find that their office overhead has been increased forty or fifty per cent by the necessity for making this detailed information available. The gathering of detailed statistics has become a municipal, provincial and federal hobby, and I expect that when I go home I shall find a form waiting to be filled out giving the colour of my employees' hair, the shade of their eyes, and every other personal detail, however trifling. That limit will soon be reached.

Mr. ROBB: For once I find myself on a question of public importance exactly in accord with my hon. friend. I have on more than one occasion taken this matter up with the Dominion Statistician and he has replied that, while no doubt it might be annoying to some individual employer to be asked to engage a few extra clerks to provide the information, it was nevertheless a fact that the information was required.

Mr. HARRIS: There is some merit in what the minister has to say, and those who are in business have not much fault to find with the Dominion Bureau of Statistics. But I want to say to my hon. friend (Mr. Campbell), in confirmation of the remarks of the hon. member for East Algoma (Mr. Nicholson), that there is too much duplication of requests of a like nature from different branches of the bureau with regard to the operations of various industries throughout the Dominion. All hon. members are no doubt acquainted with the census of industry, the information contained in which is compiled by the bureau from information derived from industries and business institutions. After a firm has given the necessary information for this compilation, along comes the Chemical and Metallurgical branch of the bureau with a demand of the same people, who happen to be engaged in some other industry, for precisely the same information with regard to capital, plant, repairs, maintenance, raw material consumed, the amount of labour involved, the quantity of fuel and supplies of all kinds used, and so forth. All that information has already been supplied to the census of industry, and within a week it has to be given to the Chemical and

Metallurgical branch of the bureau. The dates are not always the same, nor are the items of information in exactly the same categorical order, but the industry is put to a good deal of trouble in getting the facts and figures called for.

The hon. member (Mr. Nicholson) is on perfectly safe ground. In my opinion the time has come for a co-ordination of all efforts of the various departments of the Bureau of Statistics, in order to obviate all the trouble to which industry and business concerns are put in supplying information. We are obliged to supply the reports asked for; if they are not provided, a penalty ensues. The same information which is given to the Bureau of Statistics is given, we find, to the Department of Labour.

Mr. HANSON: Let us abolish that.

Mr. HARRIS: That might not be a bad idea. I may inform the minister that businessmen generally have expressed the view on many occasions that there should be some consolidation of these statistics. I know of one industry which has been obliged to forward three times over to the federal government, in the course of one year, the same information in different forms. For example, the Department of Labour asks for a weekly return showing the number of employees, male and female, together with a statement as to the hours they work, and when you come to the census of industry you find detailed information demanded along the same line, notwithstanding that you have given all the facts already. The time has come when the bureau would be well advised to co-ordinate these multifarious activities of the different departments.

There is another important point that must not be lost sight of. There is a head of one branch who has to do with the chemical and matallurgical industries, and he is an expensive official, and when you take into account the head of the Bureau of Statistics along with that staff you have an army of civil servants involving a tremendous overhead. I cannot emphasize too often the necessity for consolidating all this work under one administration, perhaps by the Bureau of Statistics. If this were done a good many positions could be abolished and a good deal of duplication of requests eliminated.

Mr. FOSTER: Is the census which is now taken merely a counting of noses, or does it embrace all the details that are asked for in the decennial census?

[Mr. Harris.]

Mr. ROBB: According to section 19 of the act the census of Manitoba, Saskatchewan and Alberta, as in the case of the decennial census, shall consist of the following:

(a) their population and the classification thereof, as regards name, age, sex, conjugal condition, relation to head of household, nationality, race, education, wage earnings, religion, profession or occupation, and otherwise;

(b) the number of houses for habitation, whether occupied or vacant, under construction or otherwise, the materials thereof, and the number of rooms inhabited;

(c) the area of occupied land and its value, and its condition thereof as improved for cultivation, in fallow, in forest, unbroken prairie, marsh or waste land, and otherwise; the tenure and acreage of farms and the value of farm buildings and implements;

(d) the products of farms, with the values of such products, and the number and value of domestic animals within the preceding census or calendar year;

(e) the municipal, educational, charitable, penal and other institutions thereof; and

(f) such other matters as may be prescribed by the Governor in Council.

Now we have had a fairly lengthy discussion, and if my hon. friends would pass the item we could adjourn.

Sir HENRY DRAYTON: I should like to meet my hon. friend's request, but I want some information in regard to these commissioners. We have a frank statement from the government that they are appointed not by the government but by western members or friends, I think the minister says. Of course, these western friends must be the representatives elected to this House from the west, or the defeated candidates who ran in the Liberal interests. Am I right or wrong in that assumption?

Mr. ROBB: It is a pretty fair guess.

Sir HENRY DRAYTON: Will not the minister go further and say that I am right? The Minister of Public Work (Mr. King) says I am right, if I have heard him. Very well. I will put another question in connection with these gentlemen who are responsible for the appointments. Were any of them Progressives or were they all standpat Liberals?

Mr. STEWART (Edmonton): You will have to examine the list.

Mr. ROBB: My hon. friend would hardly expect me to pass by the Progressives.

Sir HENRY DRAYTON: I take it I am right in that, Mr. Chairman. My hon. friend says I would not expect him to pass by the Progressives. I assume that means they also have had a share in the responsibility and in the honour and glory of getting their friends jobs on this work. Going a little further, did my hon. friend entirely overlook the claims

of the Independents and was Labour's claim also overlooked in this patronage exploitation? Supposing we take the one lonely independent from British Columbia, surely he could not have been overlooked?

Mr. NEILL: May I inform my hon. friend that no census is being taken in British Columbia this year?

Mr. POULIOT: May I ask my hon. friend how many Tories are seeking jobs?

Sir HENRY DRAYTON: My hon. friend's question is just as near the mark as might be expected; he is doing well. So we have these appointments made either on the recommendation of the sitting member, the defeated candidate or the Progressive gentleman who happens to be here. Under those circumstances, Mr. Chairman, I think we should have information which will show the names of each one of those appointees and the name of the gentleman who appointed him. Then I think we would be able to apply his political colour, and to place the responsibility in the right quarter if we find that the appointment ought not to have been made. I would suggest to my hon. friend that he think that over and bring us down the list to-morrow.

Mr. HEAPS: The hon. gentleman having raised the question he may as well get an answer. We do not want any patronage, and if it was offered we would not take it either from the Liberals or from the Conservatives.

Mr. NICHOLSON: I should like the minister seriously to consider the advisability of consolidating all the statistical branches in Ottawa. As a further evidence of my confidence in the Dominion Bureau of Statistics as presided over by the Chief Statistician, I am satisfied that if industry were only called upon by the Chief Statistician they would readily respond. But I have in mind what one of my Toronto colleagues referred to, the return that is made to three separate departments, the Income Tax department, the Labour department and the Bureau of Statistics. We shall soon come to an item of $100,000 for printing. We do not print nor do we compile these statistics for nothing, and in the final analysis it is simply a duplication of work. I believe the minister is anxious to economize, and I commend this to his attention as an opportunity for saving a very large sum of money.

Mr. ROBB: Let me say again that I concur absolutely in what my hon. friend says, and I should like him to-morrow to give me the names of those three departments so I may check them back to the bureau.

Mr. BOYS: Mr. Chairman, I understand that the minister is going to furnish a list of the various census commissioners. Reference has already been made to the appointment of returned men to these positions. I am mainly concerned with their appointment, I do not care a rap what their politics may be. There is legislation providing that returned men, other things being equal, should get certain appointments. I see no reason in the world why in the case of census commissioners and enumerators the same rule should not prevail I think before this item passes the minister should let us have that list. I do not know why we should not also have a list of some of the more subordinate officials. I understand there is a commissioner for every electoral district, so the list would not be at all lengthy. I think we should be able to find out whether the appointees are returned men. I do not say that in every case returned men were appointed in 1921, but if proper consideration was not given them the government of that day would have to take the responsibility, as the government of to-day will have to take it now. But I do think we ought to be able to get such a list before this item passes, and therefore I would ask the minister to allow it to stand until he brings down the list that he has already promised the committee.

Mr. ROBB: I should like to make some progress. I have already promised to bring down the list of 1921 and the last list. We may as well pass this item. I give my hon. friend my word that I will bring the list down.

Mr. BOYS: I do not doubt the minister's word for one moment. I concur entirely in what has been said about his integrity. That is not my point at all. I submit we ought to have the list before the item passes, so that if we desire we may make some observations in connection with it.

Mr. ROBB: May I point out to my hon. friend that the civil government vote for this same department will afford him the opportunity he desires.

Sir HENRY DRAYTON: But, Mr. Chairman, my hon. friend will readily see that the vote under civil government cannot possibly cover the commissioners appointed under this vote.

Mr. ROBB: But I am undertaking to bring the list down.

Sir HENRY DRAYTON: But my hon. friend will see that under the circumstances there is no chance of discussing it. For example, we might have a little question as

to the exact stripe of politics of some of the noble supporters of these gentlemen that have been appointed under this item. I would suggest that my hon. friend let this stand. We have had a pretty good discussion and now we only need the list. It may be perfectly innocuous, but at least it will be interesting.

Mr. CAHILL: And it would open up the question again in good shape.

Sir HENRY DRAYTON: Then what is my hon. friend afraid of?

Mr. CAHILL: Nothing, not even of the opposition.

Sir HENRY DRAYTON: Then I see nothing in his suggestion. Of course, he may be very much disappointed here because unfortunately owing to his geographical limitations he has had nothing to do with the list. Under the circumstances I would suggest that the committee rise and report progress.

Mr. ROBB: Mr. Chairman, I should like again to plead with my hon. friend. It is only half past ten and I think it is a fair compromise that we should pass this item and go home. I want to ask my hon. friend who is now leading the opposition (Sir Henry Drayton) and the gentleman who is sitting beside him, both of whom have had considerable experience in administration, how far it is going to get either party when I bring down the list of 1921 and the list of this year and my friends on both sides of the House debate their contents? Presumably it will open up a debate that will be neither very instructive nor very interesting. We might as well pass this item and adjourn.

Sir HENRY DRAYTON: We are not considering the vote of 1921; that list is not even in order for the purposes of a—may I use that word "bogey" again? Someone was angry because I used that word before. I crave the permission of the Solicitor General (Mr. Cannon) to use it again. The bogey of the list of 1921 is used for what purpose? It gives us something to consider, as to whether it will pay us to ask for this list as well. We have nothing to hide about the list of 1921.

Mr. ROBB: And we have nothing to hide about this list.

Sir HENRY DRAYTON: As it is used in that way, Mr. Chairman, I insist the more strongly upon the production of that list. We will take full respo sibility for everything that happened in 1921. Those appointments were criticised; there was a great deal of talk when those lists of 1921 were being considered, with charges of patronage levelled against us, and we have gone through it all. Now it is the turn of my hon. friends. It is their vote, and it is something which has to do particularly with their vote. It has so much to do with it that my hon. friend the minister undertakes to produce it, but it cannot be properly discussed with the item closed.

Mr. ROBB: I move that the committee rise, report progress and ask leave to sit again.

Mr. GEARY: I think I had the floor before the minister made his motion. I wanted to ask on this item if the minister, when he sent to his friends in the prairie provinces requests for recommendations for appointments in connection with this census, pointed out that a desirable qualification for the position was that of being a returned man?

Mr. ROBB: I have the qualifications which were given me by the census enumerator. I have not them here; they are in my desk.

Mr. GEARY: I only wanted to bring this to the attention of the minister.

Item stands.

Progress reported.

On motion of Mr. Robb the House adjourned at 10.35 p.m.

Wednesday, March 24, 1926

The House met at three o'clock.

REPORT

Twenty-first report of the Board of Railway Commissioners for the year ending December 31, 1925—Hon. Mr. Dunning.

PRINTING—JOINT COMMITTEE

Hon. ERNEST LAPOINTE (for the Prime Minister) moved:

That a message be sent to the Senate to acquaint Their Honours that this House will unite with them in the formation of a joint committee of both houses on the subject of the printing of parliament, and that the members of the select standing committee on Printing, namely, Messrs: Baldwin, Charters, Donaghy, Edwards (Waterloo South), Embury, Esling, Evans, Hannesson, Hocken, Hubbs, Lapierre, McGibbon, McIntosh, Malcolm, Marcil, Prévost, Quinn, Raymond, Rinfret, St. Père, Speakman, Steedsman, White (Mount Royal), will act as members on the part of this House on the said joint committee on the Printing of Parliament.

Motion agreed to.

LIBRARY—JOINT COMMITTEE

Hon. ERNEST LAPOINTE moved:

That a message be sent to the Senate informing Their Honours that this House has appointed Messrs: Baker, Bird, Bourassa, Cahan, Carmichael, Deslauriers, Fish, Forke, Garland (Carleton), Hatfield, King (Prince Albert), McIntosh, Meighen, Neill, Pouliot, Prévost, Quinn, Rinfret, Stirling, Thompson, a committee to assist His Honour the Speaker, in the direction of the Library of Parliament so far as the interests of the House of Commons are concerned, and to act on behalf of the House of Commons as members of a committee of both Houses on the Library.

Motion agreed to.

PARLIAMENTARY RESTAURANT

Hon. ERNEST LAPOINTE moved:

That Messrs: Black (Yukon), Carmichael, Clark, Fiset (Sir Eugene), Howden, Kay, Ryckman, Stork, and Wilson (Wentworth) be appointed to assist Mr. Speaker in the direction of the restaurant, so far as the interests of the Commons are concerned, and to act as members of a joint committee of both houses on the restaurant, and that a message be sent to the Senate to acquaint Their Honours therewith.

Motion agreed to.

QUESTIONS

(Questions answered orally are indicated by an asterisk)

BOUNTIES ON COAL

Mr. CHURCH:

1. Will any safeguarding of industry legislation be introduced this session providing for direct aid to the native coal industry by bounties, subsidies or other subventions to assist its development, and placing an embargo on United States coal and in favour of a policy for coal mined and coked under the British flag, either from Alberta, the Maritime provinces, or Wales or other British provinces?

2. What has the government done to carry out the terms of coal resolutions accepted by the government (1922-1925) for a national coal policy for Canada, and why has such a policy not been acted on, and adequate legislation introduced to give effect to it as promised?

Hon. Mr. STEWART (Edmonton):

1. Under consideration.

2. The duty on slack coal has been increased from 14 cents to 50 cents per ton.

A subvention on Nova Scotia coal was provided to assist in regaining markets lost during the war.

The Board of Railway Commissioners has been instructed to determine the cost of carrying coal from both the coal fields of the east and west to central Canada.

CANADIAN GOVERNMENT MERCHANT MARINE —SALE OF SHIPS

Mr. ARTHURS:

1. What ships of the Canadian Government Merchant Marine or otherwise owned by the government of Canada have been sold within the past three years?

2. What tonnage did these ships which were sold possess?

3. To whom were such sales made?

4. Did Mr. N. M. Patterson of Fort William purchase some of these ships? If so, which ones and what tonnage?

5. What prices did Mr. Patterson pay for these ships?

6. Is this Mr. N. M. Patterson the same N. M. Patterson who is president of the Liberal Association of Fort William, Ontario?

Hon. Mr. DUNNING:

1, 2, 3 and 4.

Name of Steamer	Deadweight Tonnage	To Whom Sold
T. J. Drummond	3,501	N. M. Paterson & Co., Ltd., Fort William, Ont.
J. A. Mckee	3,575	N. M. Paterson & Co., Ltd., Fort William, Ont.
Canadian Pathfinder	3,640	N. M. Paterson & Co., Ltd., Fort William, Ont.
Canadian Engineer	3,679	N. M. Paterson & Co., Ltd., Fort William, Ont.
Sheba	3,400	The Manor Line, Ltd., London, Eng.
Canadian Miner	2,778	Wm. Hansen, Bergen, Norway.
Canadian Sealer	2,777	Wm. Hansen, Bergen, Norway.
Canadian Logger	3,839	Sir Thomas Wilson, Belfast, Ireland.
Canadian Adventurer	3,408	James Playfair, Esq., Midland, Ont.
Canadian Sailor	3,357	James Playfair, Esq., Midland, Ont.
Canadian Signaller	3,975	James Playfair, Esq., Midland, Ont.
Canadian Sower	3,406	James Playfair, Esq., Midland, Ont.
Canadian Trader	3,341	James Playfair, Esq., Midland, Ont.
Canadian Warrior	3,995	James Playfair, Esq., Midland, Ont.
Canadian Harvester	4,000	Canada Atlantic Transit Co., Toronto, Ont. (Subsidiary to Canadian National Railways)
(x) Canadian Settler	4,918	Capt. Peter Graham, New Glasgow, N.S.

(x) The purchaser found it impossible to meet his payments on the Canadian Settler so the Canadian Government Merchant Marine, Limited took re-possession of the ship on January 31st, 1925.

Tenders were invited through the medium of extensive advertising in the press and by correspondence with brokers and other likely interested parties in various parts of the world, the sale of the above steamers being

consummated after negotiations with the purchasers at prices in line with world market prices for tonnage of the type sold.

5. T. J. Drummond, $110,000; J. A. Mckee, $110,000; Canadian Pathfinder, $50,000; Canadian Engineer, $50,000.

6. No information.

MEDICAL MEN AND DENTISTS IN GOVERNMENT SERVICE

Mr. BLACK (Halifax):

1. What are the names of medical men and dentists in employ of Soldiers' Civil Re-establishment at Halifax; (a) Camp Hill hospital; (b) Cogswell Street hospital; (c) pension board?

2. What are the names of medical men in employ of dockyard?

3. What are the names of medical men in employ of immigration service?

4. What are the names of medical men in employ of quarantine service?

5. What are the respective salaries paid each of these medical men?

6. Which are full time and which are part time employees?

7. Are full time men permitted to engage in private practice in competition with other men in the city of Halifax?

8. If not, have steps been taken, and if so, what steps, to prevent such practices?

9. Are any of the medical men, whose names have been mentioned, under the operation of the Civil Service Act, if so, which ones, and when did this act become operable in relation to these men?

10. What is the intention of the government in regard to the future of Camp Hill hospital?

Hon. Mr. LAPOINTE:

Department of Soldiers' Civil Re-establishment:

1. Dr. M. A. MacAulay, Unit Medical Director, full time, $4,800; Dr. E. K. MacLennan, Assistant Unit Medical Director and Pension Examiner, full time, $4,000; Dr. W. P. MacKasey, Pension Examiner, full time, $4,000; Dr. M. J. Carney, Specialist, diseases of the chest, part time, $2,400; Dr. S. J. McLennan, Consultant, eye, ear, nose and throat, part time, $2,100; Dr. Wilfrid A. Curry, Orthopaedic specialist, part time, $1,200; Dr. O. G. Donovan, Medical Superintendent, Camp Hill hospital, full time, $4,000; Dr. G. B. Kennedy, Medical officer, Camp Hill hospital, full time, $3,300; Dr. K. A. MacKenzie, Specialist, internal medicine, Camp Hill hospital, part time, $2,400; Dr. E. V. Hogan, Surgeon, Camp Hill hospital, part time, $2,400; Dr. W. H. Eager, X-ray specialist, Camp Hill hospital, part time, $2,100; Dr. G. W. Grant, Neurologist, Camp Hill hospital, part time, $1,800; Dr. V. M. MacKay, Pathologist, part time, $1,800; Dr. H. E. Mann, Unit dental officer, full time, $3,600.

2, 3 and 4. No information.

5 and 6. Answered by No. 1.

[Mr. Dunning.]

7. They are not permitted to engage in private practice during the prescribed hours of duty with the department. The department does not know what activities they engage in outside their regular hours of duty nor does it presume to control them.

8. Answered by No. 7.

9. No.

10. Camp Hill hospital will be continued in operation as long as it is required for the treatment of men suffering from conditions related to war service.

Department of Health:

1. No information.

2. None.

3. Dr. Henry Gouthro; Drs. H. Maclaren, A. M. Bell and J. M. Robertson who are attached to the port of Quebec in summer are transferred to Halifax for the winter season.

4. Dr. J. V. Graham.

5. Dr. Henry Gouthro, $2,760; Dr. H. MacLaren, $2,880; Dr. A. McK. Bell, $2,760; Dr. J. M. Robertson, $2,640; Dr. J. V. Graham, $2,880.

6. All full time employees.

7. No.

8. The department is not aware of any of the medical officers at Halifax engaging in private practice.

9. The medical men mentioned have always been under the Civil Service Act.

10. No information.

SIX NATIONS INDIAN DELEGATION

Mr. SENN:

1. Did a delegation from the Six Nations Indians at Brantford attend the good roads convention at Toronto in 1925?

2. If so, who were they?

3. How much did each receive for expenses?

4. Was this money paid out of the funds of the band?

Hon. Mr. STEWART (Edmonton):

1. Yes.

2 Lieut.-Col. C. E. Morgan, superintendent. Hilton Hill, chief councillor of Six Nations council.

3. Total expenses of $54.40 paid to Lieut.-Col. Morgan.

4. No.

ELECTRIC MACHINERY COMPANY, LIMITED

Mr. FOSTER:

1. Has the charter of the Electric Machinery Company, Limited, with head offices at Montreal, province of Quebec, been cancelled?

2. If so, at whose request, and for what reason?

3. To whom, if anybody, has the name of the company known as the Electric Machinery Company, Limited, been given?

Hon. Mr. LAPOINTE:

1. The charter of the Electric Machinery Company, Limited, with head office at Montreal, has not been cancelled. The name of this company has been changed to H. G. Stewart Machinery Company, Limited.

2. Objections to the name Electric Machinery Company, Limited, were lodged in the Department of the Secretary of State by the Electrical Machinery Company, a partnership carrying on business at the city of Toronto. and by the Canadian Minneapolis Electric Company, Limited, a company incorporated under the provisions of the Dominion Companies Act. The change of name was made by supplementary letters patent, issued under the provisions of section 21 of the Companies Act.

3. The name of the Canadian Minneapolis Electric Company, Limited, the company above referred to, was changed to that of Electric Machinery Company, Limited.

WAR REPARATIONS

Mr. HANSON:

1. Who has been appointed commissioner with respect to German war claims since the death of Hon. William Pugsley?
2. What is the date of his appointment and what is the rate of his compensation?
3. How much has been paid on account (a) for compensation; (b) for expenses?
4. How many claims have been decided by the commissioner?
5. How many have been under review?
6. In what order are claims paid?
7. What is the total amount paid to date?
8. To whom, and in what amounts, have such payments been made, and what are the dates of each payment?

Hon. Mr. LAPOINTE:

1. James Friel, K.C., of Moncton, N.B.

2. 19th June, 1925. $750 per month and $15 per diem whilst absent from the city of Moncton.

3. (a) $5,758.06. (b) $3,378.42.

4. No information.

5. No information.

6. Question of order has not been considered. See answer to question 7.

7. No payments have been made.

8. See answer to question 7.

QUESTION PASSED AS ORDER FOR RETURN

CANADIAN NATIONAL RAILWAYS—MONCTON AND BUCTOUCHE RAILWAY

Mr. HANSON:

1. Is the Canadian National Railway operating the Moncton and Buctouche railway?
2. If so, under what arrangements?
3. If under a leasing arrangement what are the terms of the lease, and to whom is the rent payable?
4. Is this railway one of the branch lines in New Brunswick agreed to be purchased by the government?
5. If so, what are the terms of the arrangement?
6. If so, why has the purchase price not been paid and title taken to the railway?
7. Is the government aware that numerous claims against this railway have been filed on behalf of creditors arising out of the operation of this line of railway by the owners?
8. Is it the intention of the government to see that these claims are liquidated at or before the purchase price is paid to the foreign owners of this road?
9. Why has the government not taken steps to see that these claims are properly liquidated out of the purchase price and the purchase concluded?
10. Have representations been made the government or any department thereof looking to the liquidation and payment of said claims?
11. If so, by whom and what are the names of each claimant and the respective amounts of each claim?
12. Will the government undertake to see that these claimants are protected against loss by ordering the owners to liquidate such claims before payment of the purchase price or by other appropriate action?

Hon. Mr. DUNNING: I would ask the hon. member to allow this question to stand as an order for return. It is too involved to be dealt with as it stands.

Mr. HANSON: I prefer to have it answered as a question. I do not think it is involved to anything like the extent the minister suggests. I am familiar with the matter and I should like to have it on public record in the form of question and answer. However, I am willing to let it stand for answer at some other time.

Mr. SPEAKER: Stands as order for return under rule 37.

UNOPPOSED MOTIONS FOR PAPERS

ROUYN RAILWAY

Mr. O'NEILL:

For a copy of all correspondence, telegrams and reports relative to the construction, financing or operation of the Rouyn railway passing between the government or any department or official thereof and:

1. The management of the Canadian National Railways or any officer or official thereof;
2. The government of the province of Quebec or any department or official thereof;
3. The Rouyn Railway Company or any officer or official thereof;
4. Messrs. Dillon, Read and Company or any official thereof;
5. The American Exchange Securities Corporation or any official thereof;
6. The Noranda Mines Limited, or any official thereof.

IMMIGRATION PERMITS 1922-25

Mr. MORAND:

For a return giving a statement of all permits issued by the Minister of Immigration, under section 4 of the Immigration Act, showing the names of all persons permitted to enter Canada under the said section during the years 1922, 1923, 1924, 1925; the occupations and former residences of all such persons; the dates and places of entry into Canada; the duration of their stay in Canada as allowed by such permits and whether still in Canada; and if so, their present places of residence; and if not now in Canada, the dates and places when and where they left Canada.

POSTMISTRESS AT RIGAUD

Mr. DOUCET:

For a copy of all correspondence, telegrams and other documents, exchanged between the Post Office Department and others, in connection with the appointment of Mrs. Georges Seguin, as postmistress at Rigaud, county of Vaudreuil-Soulanges, Quebec.

POSTMASTER AT CARLETON, QUE.

Mr. DOUCET:

For a copy of all correspondence, reports and other documents, exchanged between the Postmaster General, the Quebec superintendent's office and others re complaint made against Mr. Francis L. Cullen, postmaster at Carleton, Bonaventure county, Quebec, together with a copy of the inquiry held.

MR. H. BOULAY

On the motion of Mr. Hanson (for Mr. Culligan):

For a copy of any letter or letters written by Mr. H. Boulay, of Sayabec, county of Matane, to the Minister of Militia and Defence at Ottawa, on January 18, 1918, in connection with enlistments under the Military Service Act.

Mr. LAPOINTE: Is the hon. gentleman here?

Mr. HANSON: He had to go away.

Mr. SPEAKER: I have the amendment.

Mr. LAPOINTE: Is the subject matter given?

Mr. SPEAKER: Yes; "in connection with enlistments under the Military Service Act."

Motion as amended agreed to.

EASTER ADJOURNMENT

On the Order for Notices of Motions:

Right Hon. ARTHUR MEIGHEN: Mr. Speaker, before we proceed with this order, with the consent of the House—otherwise I have no right—might I ask if the government could make any statement as to what position they intend to assume toward the Easter adjournment motion?

Hon. ERNEST LAPOINTE (Minister of Justice): I regret the Prime Minister is not here to answer my right hon. friend. I understand that the motion will be allowed to stand, and that if there is no agreement as to the extended length of the adjournment, the motion will be amended to shorten the period. Of course, the motion will be called in the regular way to-morrow under Government Notices of Motion.

PRIVATE BILLS COMMITTEE

EXTENSION OF TIME FOR RECEIVING PETITIONS AND FILING BILLS

Mr. GEORGES PARENT (Quebec West): Mr. Speaker, with the general consent of the House I would ask that we revert to routine proceedings in order that I may present the first report of the select standing committee on Miscellaneous Private Bills.

Mr. SPEAKER: By leave of the House.

Mr. PARENT presented the first report of the select standing committee on Miscellaneous Private Bills as follows:

Representations having been made to your committee by parliamentary agents and others, on behalf of a number of persons who are desirous of initiating private bill legislation during the present session of parliament, but are unable to do so by reason of the expiration of the time for receiving petitions for private bills, as well as for the filing of private bills, that the calling of the session at least a month earlier than usual, and other special circumstances prevailing during the session, have tended to prevent private bill promoters from bringing forward their measures until the present time; and your committee having been advised that some thirty-five or forty such petitions may yet be presented, have agreed, under the circumstances, to recommend that the time for receiving petitions for private bills, which expired on February 18 last, be renewed until Wednesday, April 14 next, and that that portion of the 89th rule which limits the time for filing private bills be suspended for the present session.

All which is respectfully submitted.

He said: I presume that under the circumstances an explanation is necessary. The chairman of the committee has received a good many representations from parliamentary agents and others to the effect that owing to the political uncertainty prevailing at the opening of the session those who wished to present petitions for private bills refrained from doing so, as had the session been of short duration they would have lost their deposits. Consequently no petitions were presented. A number of persons are now desirous of initiating private bill legislation, and in view of the peculiar circumstances representations have been made to the committee that the time limit under rule 89 should be suspended. This morning the committee unanimously recommended that this be done. Therefore if there is no objection I will move the adoption of the report.

Sir HENRY DRAYTON:: Do they know now what will happen?

Mr. LAPOINTE: Yes.

Mr. PARENT: I beg to move:

That in accordance with the recommendations contained in the first report of the select standing committee on Miscellaneous Private Bills, the time for receiving petitions for private bills be renewed until Wednesday April 14 next, and that that portion of rule 89 which limits the time for filing private bills be suspended for the present session.

Sir HENRY DRAYTON: Mr. Speaker, I am inclined to think we should give effect to the motion. I do not think we are in a

position to delay many of these gentlemen who want to have legislation brought forward, after having been misled by the perambulations of this government. They are in the same position in that regard as the country at large, and I think they should be helped.

Hon. J. A. ROBB (Minister of Finance): Mr. Speaker, I do not rise to oppose the motion at the moment, but I would prefer that it stand until I have had an opportunity of consulting the Department of Justice as to how it will affect the revenue.

Mr. SPEAKER: Stands.

Motion stands.

CHICAGO DRAINAGE CANAL

ENFORCEMENT OF TREATY AND COLLECTION OF DAMAGES

Mr. T. L. CHURCH (Toronto Northwest) moved:

That in the opinion of this House, in order to preserve the levels of the Great Lakes and conserve the money expended on canals and harbour improvements on the Great Lakes by the government of Canada, immediate and drastic action should be taken by the government, through the British government, to enforce the Boundary Waterways Treaty (1909) and to forthwith collect damages from the United States for breaches of the treaty by the Chicago drainage canal, and that this House regrets the failure to take in the past any effective action and will support the government in future in any drastic action it takes to preserve the interests of Canada and have the treaty enforced without any more delays; and that the government ask the British government to collect for the damage done to Canadian interests of such illegal diversion as reparations due Canada, which amounts to several millions per annum; and, that the onus for the enforcement of the said treaty is on Great Britain and Canada and not on any private individuals.

He said: Mr. Speaker, this is one of the most important questions which this parliament has to deal with. It has been before the House now for some time and the matter is of such vast importance to the people of this country that something will have to be done other than talk about it. The question involved is a very large one. It was dealt with a few years ago in a treaty between Great Britain and the United States, known as the Boundary Waterways Treaty, dated January 11, 1909. After all is said and done, Chicago is not to blame for the situation which has arisen. Chicago has been termed in the United States congress and senate as the "pirate of the lakes," but I say Chicago is not to blame. The responsible bodies are the governments of the United States, Great Britain and Canada. There is no mention of Chicago in the treaty at all; nothing is said of the amount of water Chicago may use This is a solemn treaty, and must not be treated as a scrap of paper, as it has been treated by the government of the United States, with the apparent do nothing policy of this government. This government has made a football of the question. We talk of how Germany treated Belgium, of how she regarded the treaty with Belgium as a scrap of paper; but here is a convention entered into by the governments of Great Britain and the United States which the government and people of the latter country are treating in the same way.

I am not going into the history of this case at the present time. I spoke on this matter in this House in 1922, 1923 and 1924, and on March 26, 1924, the whole case was set out by me then. But I want to ask now whether Chicago is more powerful than the government of the United States, and more powerful than this parliament and the parliament of Great Britain. It is time Chicago was checked up. The government of the United States should take the matter in hand and enforce the treaty, and Chicago should be no longer allowed to control the government of the United States and prevent this parliament from protecting the people of Canada. In my opinion we have not settled this question sooner because we have been dealing with the wrong people. We have been asking for the production of correspondence, but all the correspondence in this matter has been between the government of Canada and the government of the United States. Canada is not a party to that treaty, because Canada is part and parcel of the British Empire. I have asked several times for the correspondence between the government of Canada and the government of Great Britain and the British ambassador at Washington, but apparently there is no such correspondence, or at least it is not forthcoming. What has this government done to call the attention of Great Britain to the fact that the terms of this treaty have not been lived up to for many years past? I believe if the attention of the British government had been called to this state of affairs we would have achieved some better results by this time.

The illegal diversion of these waters is, as I have already said, one of the most important things with which we have to deal. It is important not only from the standpoint of navigation and power development, but also with regard to the immense investments of our provinces and municipalities in light and power.

There is some mention now of the United States waiting for another decision by the courts. Judge Landis gave a decision on

the merits of this case in 1911, and construed the treaty. He said that up to the time this treaty was entered into Chicago could only take 4,167 cubic second feet of water, not because they had any right to it but because they had obtained a permit from the Secretary for War. The public works on the Great Lakes are under the jurisdiction of the Secretary for War, and Chicago received permission to divert temporarily 4,167 cubic second feet of water for drainage and sanitary purposes. Not long after, the Boundary Waters Treaty, 1909, was negotiated which laid down what waters could be diverted, and what not. To-day Chicago, which needs only one thousand cubic feet of water for drainage purposes, is taking ten thousand cubic feet, and the water is not being taken simply for drainage and sanitation purposes at all, but for power purposes, to be used for street and domestic lighting in that great city through the plant erected there at Lockport. Not satisfied with that, they have applied for an even larger amount to be diverted from lake Michigan, which is one of the lakes included in the treaty, although it is inland water. The water flows into that lake from the great hinterland to the north, and the aforesaid treaty, the plans and profiles, all recognize that lake Michigan and the lakes and streams contributary thereto come within the four corners of the treaty.

What is the government going to do? As I said a moment ago, Chicago is now applying for ten thousand cubic feet to be diverted, and the water that is diverted by Chicago will never flow back into the Great Lakes. The water of the Niagara river that is used by the Ontario Hydro-electric Commission does flow back into the river again and on to the mouth of the Niagara river, out through lake Ontario into the St. Lawrence, but not one foot of the water that is diverted by Chicago finds its way back into lake Michigan again. The whole treaty is being laughed at and a football made of the whole question by the legislatures and courts and congress and senate of the United States. What does this government propose to do about it? What this resolution proposes to do is to find a remedy, for where there is a wrong there is always a remedy. The country has stood this diversion long enough now. We have been awaiting conferences, and have had correspondence and meetings and what not; we have just been running around in a circle. There is only one way to enforce this treaty, and that is set out in the treaty itself. The last clause of the treaty, which will be found at the foot of page 28 of the statute known as the Boundary Waterways Treaty, provides for the peaceful and amicable settlement of disputes under the treaty by reference to the International Joint Commission and to The Hague. What has this government done to collect the bill for damages done to the public works of this country, to our harbours and rivers and system of canals, on which we are spending large sums of money? What has this government done, or what does it propose to do, to protect the investment of $275,000,000 that the province of Ontario has made in the cheap light and power movement of the Hydro in Ontario. As was pointed out by the late chairman of the Ontario Hydro-electric Commission, the excess waters taken by the Chicago drainage canal, if transformed into direct current, would amount on a conservative basis to 500,000 horse-power, which may be considered equivalent to 5,000,000 tons of coal per annum, which at the recent price of soft coal would amount to about $35,000,000 a year.

What does this government propose to do? Has it prepared under the treaty a bill of damages, and if so, what is the bill of damages for the port of Montreal, for instance, Toronto, and other great ports on the Great Lakes? What is the government's bill of damages for the light and power plants of this country which have suffered as a result of this diversion? What damage has resulted to the trade and commerce of this country by lowering the level of the Great Lakes? One of the results of this diversion has been to lower the level of the lakes. During the last season of navigation, boats on the Welland canal were stranded for days, sometimes for weeks, because of the low water level caused by the Chicago diversion.

What does this resolution propose? It proposes that immediate and drastic action should be taken by this government, through the British government, to enforce the Boundary Waterways Treaty. The proper legal way to go about it is through the British government, not by sending deputations from our municipalities and provinces down to Washington to interview a foreign government. That is a humiliating position for the people of this country to be in. Delegations from the municipalities and provinces of this country have gone down and appeared before the Rivers and Harbours committee of the United States congress to protect their own interests, and have gone over the head of the Canadian government to take up with the government of a foreign country the enforcement of a treaty made between the Mother Country and the United States, and I say that it is a humiliating

position for this country. What this resolution proposes is that:

—immediate and drastic action should be taken by the government, through the British government, to enforce the Boundary Waterways Treaty (1909) and to forthwith collect damages from the United States for breaches of the treaty by the Chicago drainage canal, and that this House regrets the failure to take in the past any effective action and will support the government in future in any drastic action it takes to preserve the interests of Canada and have the treaty enforced without any more delays; and that the government ask the British government to collect for the damage done to Canadian interests of such illegal diversion as reparations due Canada, which amounts to several millions per annum; and, that the onus for the enforcement of the said treaty is on Great Britain and Canada and not on any private individuals.

It is no use leaving this matter to individuals or to business organizations which go to the United States and appear before the state and federal courts and before a committee of congress. Why should the government of this country have our people going down to Washington to look after their own interests? Are we not under the British flag in this country? Have we not law courts of our own? Are we going over the head of the Supreme court of this country, over the head of the government of this country, over the head of the Privy Council of Canada, over the head of His Majesty's government in Great Britain? Have we not enough authority there to enforce the treaty without having self-appointed persons appearing before some committee of congress to look after our rights, holding a watching brief on behalf of the people of this country? Has Washington to-day become the capital of Canada? I thought Ottawa was the capital of this country. Ottawa has been called the Washington of the north, but when you see delegations from municipalities, provincial governments and trade organizations in this country going down to Washington in regard to this question, one might be excused for thinking Washington really was the capital of Canada. I think it is time this government should refuse to give passports to self-accredited delegates who wish to appear before the law courts and legislatures of the United States and before the Harbours and Rivers committee of congress on this question. The time has come for a showdown. When this Boundary Waterways treaty was negotiated in 1909, everbody agreed that for the sake of good international relations something had to be done regarding the flow of water in this great international stream, the St. Lawrence, and the Great Lakes, and after considerable debate in the British House, in this House, and in congress, this treaty of 1909 was concluded.

Let us look at this question for a moment from the engineering standpoint. Professor Coleman, one of the greatest geologists on the American continent, says that if this waste of water goes on much longer lakes Erie and Ontario will run dry and become unnavigable in the years that are to come. The people of Canada, as well as their governments, have been altogether too lax in this matter. Canada should have insisted long ago that the terms of the treaty be adhered to. Under article 1 of that treaty Great Britain and the United States, being the high contracting parties, agree that the navigation on all the navigable boundary waters shall forever continue free and open for the purpose of commerce to the inhabitants, and to the ships, vessels and boats of both countries equally. It is evident that under the treaty the rights of navigation enjoyed by each country are equal. Subject to the rights of navigation in these boundary waterways, rivers and streams, belonging half to the United States and half to Canada, the surplus waters, as well as the banks, rapids, and bed of the river or navigable stream, belong to the state and provincial legislatures. This provision has not been adhered to. The treaty, as I have shown, provides that the rights of navigation shall be paramount and that they apply also to lake Michigan. The whole argument of those responsible for the Chicago drainage diversion in this matter is a fallacy. There is no law or authority to be found for their action. Certainly they can find no such rights as they claim in international law, neither is it to be found in the Boundary Waterways treaty. No, the Chicago drainage commission have no such authority in right, custom, usage or treaty. As they say in Chicago, they have simply "taken French leave." They think they are a law to themselves. If the law does not give them what they want, then they think they have the right to act in contravention of it. With them necessity knows no law, or with their government either; they make their solemn treaty a scrap of paper.

The Great Lakes system is the largest, most extensive and navigable waterway in the world. The diversion of water by the Chicago commission has permanently lowered the level to such an extent as to interfere with its development and navigation, something not allowed by the treaty at all. The Chicago drainage canal has lowered the levels of the Great Lakes by diverting an amount of water equal to the amount of water that goes over the American falls at Niagara Falls. That

is the amount of water they are diverting for the Chicago drainage canal, the same amount of water as flows over the American side of the falls every second of time. This is all being done illegally; it is not allowed by treaty. They are diverting 10,000 cubic second feet through the drainage canal on to the Mississippi river, and not one foot of this water can come back again to the Great Lakes. In its natural course this water would pass through the lakes and down to the Canadian seaboard. The reduction of the lake levels is a matter of national concern both to Canada and to the United States. The waterways treaty definitely fixed the amount of water necessary to conserve the water of the Great Lakes for navigation purposes. It also provided that there should be no diversion of boundary waters without the authority and consent of both countries. As I have said the case of the Chicago Drainage commission is based very largely on fallacy. They have no sanction in law for the action which they have taken except a permit from the United States Secretary for Wa.r This is not a legal permit, because under the treaty permits cannot be issued except with the consent of both the countries concerned.

It is not necessary that I should go into the history of the scheme for the disposal of the sewage of the city of Chicago, but I may make this statement: Those people met Sir Adam Beck, head of the Hydro Electric system of Ontario. Two years ago Mr. Healy, and all the rest of them, visited Toronto. They also went to Montreal, Quebec, and other ports to discuss this problem with the local municipalities. At Toronto they were met by the harbour commission, and as one of the harbour board I was sorry to see that they did not know more than they did about their own case. They actually advanced the contention that lake Michigan did not come within the terms of the treaty, although that treaty specifically mentions lake Michigan as a part of the Great Lakes system, the watershed of which extends into our northern hinterland. We met these gentlemen in company with representatives of the Ontario government and the Hydro Electric, and went into the question. The commission proposed to erect retaining walls and compensating works on lake Erie and on the St. Lawrence river as an offset to the water they were taking. They were prepared to erect what they called compensating works. I pointed out to them at the time that nothing could compensate the municipalities of Ontario for the loss of their investment of $275,000,000; nothing could compensate the people of the provinces of Ontario and Quebec for the loss of shipping and the damages to shipping in the port of Montreal and on the St. Lawrence, the damage to ocean going traffic and to trade, commerce and transportation of this country—not even the erection of compensating works to the value of $2,500,000. Such a compensating proposition is so ridiculous that it would be laughed out of any legislature. Imagine any body of men thinking that by erecting a few million dollars of compensating works they could recoup the people of this country for diverting a flow of water of 10,000 cubic second feet, equal to the amount of water per second that goes over the American falls!

And now the time has come when there should be a little action on the part of this government. I may say that I am glad to see a change of opinion in the United States in regard to this proposition; that the Hon. Mr. Hoover, Secretary of State for Commerce, has admitted that there has been a breach of the treaty, and that Canada has a good claim for compensation under the provisions of that treaty. Mr. Newton D. Baker, Secretary for War in the Wilson government—and the city of Cleveland takes the same view—was opposed to this diversion of water for the purposes of the Chicago drainage canal. Not only the city of Cleveland, but all the cities and towns on the American side of the Great Lakes are taking strong action against this diversion. Mr. Baker says that the people of the United States would be very glad to compensate Canada for the loss of millions of dollars by virtue of the act of the Chicago people.

It is admitted that the depth of water in the harbours of the Great Lakes has been lowered to a very serious extent. As regards the harbour of Toronto the launch of the Royal Canadian Yacht Club cannot get into its berth by reason of low water. The provincial government takes the position that if the federal authority does not discharge its duties it must itself intervene to protect the investments of its municipalities. I may say that the Dominion Marine Association, the Civic Federation of Montreal, the Atlantic Shipping Company, the Harbour Commissioners of Montreal, the Richelieu and Ontario Navigation Company, the Canada Steamship Company, the Canadian Water-power Board and the boards of trade of the Dominion, including the Montreal and Toronto boards of trade, and a very great number of other organizations along the Great Lakes, have testified to the serious loss which has been sustained throughout the various municipalities in the Canadian area affected.

Professor Coleman, another geologist, states that in his opinion this diversion is going to have the most serious effects on the river St. Lawrence. As I say, navigation would be tied up on the St. Lawrence and in the port of Montreal and the St. Lawrence ship channel would become unnavigable. Professor Coleman says:

> A tilt of fifty feet would drain the whole of the Great Lakes into the Mississippi. "Is this beyond the possibilities of modern engineering skill?" He asked. "It is not." A mere deepening of three drainage canals would result in a similar state of affairs. It is entirely possible to drain the whole of the Great Lakes in this way.

Professor Grant, a grandson of a former President of the United States, and a great geologist of the Northwestern University of the United States, says:

> Even as it is nature is playing its part in drying up the lakes system and reducing the rivers to streams.

He points out that climatic conditions alone will have a very serious effect, let alone a diversion of 10,000 cubic feet of water per second.

Professor Coleman further gives evidence that the present lake levels in lake Ontario and the Great Lakes are ninety-five per cent due to this diversion of water through the Chicago drainage canal.

Why was the International Joint Commission constituted? To settle promptly and amicably any disputes about this treaty. Its duties are set out in the boundary treaty. Why was it not called upon to take up this question, decide in an amicable way what the damage is and collect it from the proper power. If it had been intended

4 p.m.

by the government of Great Britain and the government of the United States that Chicago should have these vast powers, the treaty would have said so, but there is no mention of Chicago in this treaty from beginning to end. Therefore, Chicago not being mentioned in the treaty, the latter must be construed strictly not only by the courts but by the body appointed to enforce the treaty, namely, the International Joint Commission. There is no way of enforcing this treaty in a civil court. It was taken out of the hands of the civil courts and placed on the shoulders of the International Joint Commission. The case has been taken to court after court in the United States and in every court the matter gets right back to the principles as laid down in 1911 in Judge Landis' decision. They have been before all the state courts in Illinois, the Supreme Court of the United States, the Rivers and Harbours committee of congress and the committees of the Senate, but the sum total of all the legal opinions given by law officers in the United States, the attorney generals of all the state legislatures and the Attorney General of the United States gets back to the decision given fifteen years ago by Judge Landis. What is the use of our wasting any more time in waiting for United States court cases? Three decisions which have been given in the last year all get back to the original decision given by Judge Landis on the 23rd January, 1911, in which he construed the whole treaty, the law, the facts, and the rights of the Chicago people under the permit of the Secretary of State for War and gave his decision. In that decision the judge quotes the original permit which is as follows:

> The future diversion of water from Lake Michigan for any purpose is fraught with difficulties. Not only has Canada an interest in the maintenance of lake levels which the United States must recognize, but every foot of water flowing through the Chicago drainage canal lessens the flow at Niagara Falls and at the power sites along the St. Lawrence river, where due to the fall available the same amount of water will create about four times the power that can be generated from it on the Des Plaines and Illinois rivers.

I will read just one paragraph of the judge's decision. The judge, after reviewing the evidence and the law, gave his decision which really summarizes all the decisions given between 1911 and 1926 by the United States. In the last paragraph he says that the consent of Great Britain is necessary to all diversions, otherwise they are illegal. The judge says:

> In the last analysis, should congress and the War department, in consideration of all these matters, decline to permit the necessary diversion, the burden is on the district of providing some other method of relief. In other words, the defence that the diversion is necessary for the purpose of sanitation, as against the rule that a navigable right and navigation right is a paramount right, is immaterial. In order to allow the sanitary district a chance to appeal to the War department for relief no order was made restricting the flow.

But the said judge's order showed that they had no right in law to this diversion. That decision of the judge has been backed up by every court in the United States all the way from 1911 to 1926.

The time has come, in my opinion, for the government of Canada to do something. It is not necessary for a minister of this government to go down to Washington. What has the government ever done to take up this question with the British authorities, because the government of Great Britain and not the government of Canada is one of the parties named in this treaty? Are we to continue until doomsday to allow the government of

the United States to treat this treaty as a scrap of paper? This treaty was signed by the President of the United States on behalf of the people of that country. Is the government of Canada to sit in silence relying on what it calls its own autonomy and treaty making powers? Let the government enforce this treaty in order to prevent even greater damage being done to navigation. Are we to wait for a few self-appointed individuals, a few busybodies who, when they were asked if they represented the government of Canada, did not know whether they did or not, to go down to Washington and argue our case. Where does the British government come in on this question? I have the utmost respect for the government and the people of the United States and I appreciate the fact that there are many people on the Great Lakes including some of the state governors who take very strong grounds on this question. A meeting was held at which some twelve governors were present, and while I will not read all that was said, I should like to read what Mr. Baker, late Secretary for War, said at a meeting of the Great Lakes Harbour Association at Detroit on the 14th January of this year where he was one of the prominent speakers:

When he touched on the peaceful relations that have existed between the United States and Canada, Mr. Baker's voice trembled with his earnestness. "I would be willing to be taxed heavily to pay for the sewage disposal system of Chicago rather than to be a party to the slightest affront to the Dominion of Canada. I know what international complications mean, and I know that all of us pray that the rule of justice between nations will forever supplant the rule of force. In all our difficulties, we want amicable arrangements effected between ourselves and any other country. That is true in this case.

"Canada has an academic and economic interest in the Great Lakes and we cannot affect the lakes in any way without affecting Canada. Moreover, the lakes have made us the steel empire of the world. To imperil that great commerce is for us to commit industrial suicide. Some way can be found to settle this controversy to the best interests of the whole nation, and Chicago can be persuaded to see it in that light. We must take a broad view of the whole matter."

"A civic outlaw" was the characterization of Chicago by William Bruce, president of the association, in his opening address at the forenoon session.

"Every newspaper in Chicago," Mr. Bruce said, "is deploring the great crime wave among Chicago's citizens. They admit it springs from a general contempt for law among Chicago's people. Every civic organization and pulpit in Chicago is clamoring for a remedy. What else can they expect where the municipal government of Chicago persists in a ruthless contemptuous and colossal violation of the law?

"In continuing to steal from lake Michigan more than twice the amount of water allowed it for sanitation purposes by a permit from the United States War Department, Chicago is not only doing a damage totalling hundreds of millions to Great Lakes cities, including itself, but it is raising the greatest moral issue in American politics since the Civil war.

"After every court before which its theft has been contested, including the Supreme Court of the United States, has rejected its claims and condemned its action as illegal, Chicago now turns to the congress of the United States in an appeal for congress to make legal to-morrow what the United States Supreme Court has stamped as illegal to-day.

"Chicago takes the position of the outlaw, the bandit. It says to the rest of the country: 'Right or wrong we are going to have our way. We've got the water illegally—but what of it? We're going to continue to take it until something more than courts and laws stop us.'

"Is Chicago more powerful than the courts and laws of the United States? There is the issue in a nut shell. Chicago believes that it is. We believe that it is not. In the battle which is coming the whole country will presently be involved."

The foregoing shows that among the leading citizens of the United States there is a sense of justice in this matter. It is admitted that we have a claim for damages. Now if Mr. Hoover, the Secretary for Commerce in the United States cabinet, declares in unmistakable language, not only at this convention but at other meetings, that Canada has a claim for damages under the treaty, then where is that claim? What officer or minister on behalf of this government is preparing our claim for damages in this matter? Has that claim ever been presented? Has it ever been drawn up? If not, why not? That claim should be presented to the British government who would demand some action on the part of the United States in regard to it, and there would be a hearing, not before any of the courts either in the United States or in Canada, but before a joint commission and, if necessary, a convention like that of The Hague, as the treaty provides.

A former congressman of Illinois, Mr. G. L. Shaw, who represents the district bordering the Illinois river, which forms part of the water-way now connecting lake Michigan with the Mississippi, protested in strong terms against the continuation of the offence perpetrated by the Chicago sanitary district. He declared that the value of the lands adjoining the Illinois river had been largely destroyed by reason of the diversion of lake Michigan waters through the Illinois river channel, and indicated that notwithstanding very large expenditures which property owners had made to dyke their lands, in flood periods the barriers were broken and the lands flooded and rendered comparatively useless for agricultural or other purposes. He gave striking instances of the subterfuges which he said were adopted by the sanitary district to mislead property holders in the river district, and he outlined methods whereby, he alleged, those who suffered damage are defrauded in their attempts to get compensation.

The Hon. Daniel W. Hoan, mayor of Milwaukee, delivered a very effective address dealing with the sanitary phase of the problem and its solution. He made a startling exposure of the very extensive damage suffered by structures erected on pile foundations in communities situated on waters, the levels of which are reduced by the Chicago theft. He stated that in Milwaukee an examination of pile foundations originally below water level, but now partly above, by reason of the Chicago abstraction, had shown that the heads of the piles were perishing of dry rot, and that colossal expenditures must be made to save from collapse wharf and building structures resting upon wooden pile foundations. This is an alarming phase of the situation which must appeal to all who are versed in engineering matters or are familiar with construction work. Hitherto it has not been generally expressed or stressed, as Mr. Hoan declared.

What Mr. Hoan says about the condition in his municipality is true throughout the Great Lakes. I have here a letter sent me by the mayor of Thorold. He says he understands that the matter will be brought up in parliament, and in view of this fact he had a joint meeting called of the municipal councils of St. Catharines, Merritton and Thorold for the purpose of considering local conditions. As a result of that meeting a petition was prepared and forwarded to the Dominion government, a copy of which I have received. This petition says in part:

> That in common with the people of Canada, but more particularly by reason of their close proximity to and direct dependence upon the Welland canal, the inhabitants of your petitioning municipalities have suffered and will continue to suffer severe loss by reason of the increasingly frequent and dangerously low levels and state of the waters of the Welland canal.

The petition goes on to state that these conditions have been more marked during the present year than in preceding years. The navigation through the Welland canal has been on several occasions during the present season seriously interfered with, and at times it has been completely suspended on this account. This is a heavy handicap, entailing great financial loss, through the inability to move grain and other freights. By reason of these conditions, the petition declares, and the necessity for frequently shutting off the flow of waters into the old Welland canal and into the many hydraulic races and flumes fed from the Welland canal, so that levels of the canal might be increased and maintained for navigation, many of the industrial plants have had to close down for periods ranging from hours to days at a time, thereby causing great loss and inconvenience to manufacturers and others, and loss of employment for temporary periods to the operatives and employees of these industries. The petition goes on to say:

> 5. That particularly the said suspensions of operations have caused a great loss to the pulp and paper industries on or near the said canal, stock in process being damaged or destroyed by reason of compulsory stoppage of work thereon or from the dirty and noxious state of the waters when water levels have been restored.
>
> 6. That the sanitation of the district is endangered if the said conditions remain or recur, as the water supply systems of your petitioning municipalities are affected thereby.
>
> 7. That the operation of industries and of electric railway transportation, and the lighting of homes and stores in the Niagara peninsula and in the city of Hamilton is directly affected by the existence and recurrence of the said conditions, and the same have already entailed loss and inconvenience
>
> 8. That generally the people of the whole of the Niagara peninsula are suffering great inconvenience and monetary loss by reason of the said conditions, and a recurrence or continuation of the same will seriously prejudice the whole community and arrest the development of one of the most important industrial sections of the Dominion.
>
> 9. That whether or not there be other causes contributory to the existence of the said conditions, it is principally attributable to the diversion of waters of the Great Lakes to take care of the needs of the sanitary district of the city of Chicago, whereby, it is said waters are illegally diverted into the Mississippi river from the Great Lakes and their natural effluent.
>
> 10. That your petitioning municipalities deem it essential to the welfare of their inhabitants and of grave importance to the whole Dominion that steps be taken for immediate, if temporary, alleviation of the said conditions, and towards complete and permanent removal thereof.

This petition is signed by Mr. Jacob Smith, mayor, for St. Catharines, Mr. L. B. E. McCleary, mayor for Thorold, and Mr. Thomas Hastings, mayor, for Merritton. It is important that some action be taken to remedy the present situation before the next season of navigation opens, or the condition that now exists will be greatly aggravated.

I should like now to refer to the effect of this diversion of water on shipments out of the port of Montreal, and its bearing upon ocean traffic from that port. Mr. R. W. Reford, president of the Shipping Federation of Canada, in the course of an address to the annual meeting of the federation the other day, strongly attacked the diversion of water by Chicago which he said was detrimental to the St. Lawrence route and to this Dominion in general. Let me quote from his remarks:

> The waters of the St. Lawrence and the waters of the Great Lakes are the birthright of Canada, to be shared jointly and internationally with the United States. Canada cannot afford to give away this birthright. If we bargain with the United States and agree to waive our rights in International Law, we, by this, create a precedent for which Canada will suffer for all time. I would even go so far as to say that by doing so we tacitly agree to allow the Ameri-

cans to take from us what they covet and then negotiate with us what they will pay for it or, if possible, avoid paying for it at all. This is what has been done in the case of Chicago Drainage Canal, and if we do not take a firm stand in this matter which is vital to Canada's future, and insist on our rights, it is what will occur again whenever the necessities of the United States call for it.

As Mr. Reford, president of the Shipping Federation of Canada, says:

Water is capital, and if we give away our capital, while we may beg, borrow or steal to replace what we have lost, we are, for all time, in the position of having lost this water, and when the time comes that it will be necessary to reform and improve our channels should we not be in a position to do so with the full flow of water tributary to the St. Lawrence watershed which nature endowed us with, we will for all time be short the quantity which it is now proposed we should give away.

The unfairness of the attitude assumed in this Chicago drainage canal scheme is not, I think, fully appreciated. The value of this water which Chicago proposes to take from the watershed of the Great Lakes to the city of Chicago is infinitesimal to the value of this same water to all the ports and harbours of the United States and Canada lining the Great Lakes; to the value of the water power capable of development at Niagara and on the St. Lawrence. This same water used to produce power for Chicago would yield from four to five times more power at Niagara and on the St. Lawrence.

Here is what he says about the cost of this diversion to the Dominion:

The cost of deepening our canals, our lake channels and river channels may run into hundreds of millions of dollars, and when all this work has been accomplished we will still be short all the amount of water that Chicago proposes to take from us.

And this diversion is costing us millions annually, in Mr. Reford's opinion:

We are already aware of the detrimental effect of Chicago's action on our river estimated by conservative engineers to run into millions annually through the lowering of the water and the consequent inconvenience and loss to the commercial interests.

The issue is indeed a national one, and the need for action should be brought to the attention of the people of this Dominion without delay.

Now, the city of Montreal appointed Mr. DeGaspe Beaubien to prepare a report on the effects of Chicago's diversion in relation to navigation from lake Superior to Montreal, and he shows conclusively that great damage has already resulted from the reduction in the levels of the Great Lakes and of the St. Lawrence. This has been estimated as entailing a loss on ship-owners of $20,000,000 annually, exclusive of the loss sustained by the various ports. Mr. Harvie, general manager of the port of Montreal, on the basis of the figures given by Mr. Arthur Surveyor on the effects of this abstraction from the St. Lawrence claims that it causes a loss to Montreal shippers of approximately $10,000,000 a year.

[Mr. Church.]

When the matter was discussed before the Rivers and Harbours convention at Detroit on January 14, 1926, those representing Chicago presented another argument in an attempt to justify the diversion. They compared the amount of water taken out of the Niagara river to that taken by the Chicago drainage canal, which they asserted was very much less. But as has been often pointed out, the water taken by Chicago is not returned to lake Michigan, whereas all the water taken by the Chippawa canal and other works is returned to the Niagara river. Under the boundary treaty Canada is allowed 36,000 cubic feet per second and the United States 20,000 cubic feet per second. But it must be remembered that of Canada's share 12,000 cubic feet per second is exported to the United States. So that our neighbours really get 32,000 against our 24,000 cubic feet per second.

I urge on the government that there is only one proper way to deal with this matter. There is no use our sending various individuals to Washington to interview the heads of the different government departments. This is a treaty between Great Britain and the United States, and the only proper way to get specific performance and to present our case is through the British government. Let us say to the British authorities in effect: A serious breach has occurred, and here is Canada's bill for damages sustained by the Chicago water steal; what do you propose to do about it? Undoubtedly something should be done. The people of Canada are getting sick and tired of the want of action by this government regarding the settlement of what is a very vital question. If this inaction is due to our added status and autonomy, then I say the sooner such autonomy and increased status are disregarded the better for the interests of Canada. We have a Department of External Affairs costing us annually $105,000 that does nothing, and we have a high commissioner in London at an annual expense of $107,000, which is also of no avail to help us. Surely these two departments should be able to advise the government as to the proper course to be followed in putting a stop to this illegal diversion, and as to aid in presenting our damage claim. Has Canada also consented to the diversion, or to what?

Now, what is being done? Are we content to have every Tom, Dick and Harry go down to Washington to represent the government of Canada in this important matter? Is that the way to get redress? How much money has been paid agents and American and other

lawyers to appear before the United States Supreme Court and the Rivers and Harbours committee of congress to look after our interests? The other day a private citizen of this country interviewed the president, and some of the papers said that he represented the people of Canada! It should not be forgotten that the treaty governing this case was made between Great Britain and the United States, not between Canada and the United States, and therefore we should proceed through the British government in our efforts to secure redress. I have asked the government to lay on the table any correspondence that it has had with the British government. I speak subject to correction, but I do not think there is any such correspondence. Canada has played a lone hand and got nowhere. If, however, I am mistaken, I should like to have an opportunity to peruse the correspondence in order that I may ascertain what this government has done in a strictly legal way to enforce the terms of this treaty, instead of the "watchful waiting" and being "too proud to fight," and so that Canada's and Ontario's interest may be protected.

Bonds amounting to $275,000,000 have been sold in New York and London, representing money invested in light and power plants and hydro-electric radials in the province of Ontario. The security for that investment is liable to be wiped out to-morrow if the levels recede much more and if this diversion goes on. The time for talk has passed; we want action, and we want to know what the government of Great Britain propose to do about it. The United States is well able to pay any bill for damages which might be presented to it. At the present time Great Britain is paying $500,000 a day on her war debt to the United States, after having spent more, in blood and money, than any other nation during the war. I say the time has arrived when a bill should be presented to the British government, to be forwarded to the United States, for damages done to our Canadian interests through failure to carry out the terms of this treaty. Hon. members from the west, from the prairie provinces and from central Canada are all vitally interested in this question. There is no use in this government sending any more telegrams, memoranda or things of that kind winding up in talk and more talk; Chicago will just laugh at them as they have laughed at the decisions of the courts. Chicago has gone beyond the Supreme court now to congress, and I am sorry to see some Canadians among those engaged in lobbying in connection with this question. It is a humiliating position when the people of this country, with law and justice on our side, have to engage men to go down to Washington to press this question. Unless something is done now, action will again be deferred for a long time.

Hon. EDMUND BRISTOL (Toronto East Centre): Mr. Speaker, I think the subject brought up by the hon. member for Toronto Northwest (Mr. Church) is, next to the tariff, the most important matter before the people of Canada to-day, whether or not one is entirely in accord with the views of the hon. member in regard to procedure. Personally I think the hon. member has the correct view, and that this matter has to be taken up through the British government just as the treaty was taken up through the British ambassador at Washington, and just as some treaty amendment is going on now. Of course, these things are all done in consultation with members of the Canadian government who are instructed to deal with the matter.

There are two factors of vital importance in this case, and the first is the vast damage which has been done and is being done to this country—as much to the province of Quebec, the city of Montreal, the city of Quebec and the St. Lawrence river as to any other part of Canada—by this illegal diversion. Great damage has been done and is being done from day to day in connection with navigation. It affects the western men, who ship their grain through Canadian ports, in this way: if you lower the depth of water in the Great Lakes by six inches or a little more, as has been done by the Chicago diversion, it means the grain-carrying vessels must carry so many thousands of bushels less than they otherwise could carry. It also means a great deal in connection with the dredging which has to go on. In fact, the estimate has been made—I do not know how correct it is—that the expenditure would amount to $35,000,000 in one year. But that is a detail. The real point is that from 1911 down to the present time the city of Chicago, one of the richest cities in the world and quite well able to pay for their drainage, have had a full knowledge of the illegality of taking water out of these international waterways for sanitary purposes. They have also used that water for power, and now they have the audacious idea of deepening the Mississippi river by diverting upwards of 10,000 cubic second feet from our Great Lakes. If Chicago was a poor

city I have no doubt the people of Canada would be perfectly willing to help them. I would feel as Mr. Baker, the former Secretary for War, felt when he said that he would be glad to contribute his share as an American to help poor Chicago as far as their drainage troubles were concerned.

There is nothing to be said in favour of Chicago. They have simply had audacity and nerve, and have been committing this illegal act since 1911 with full knowledge. I am not finding fault with any government, but I do say that we should now take a very strong position first as regards the damages which this country has sustained and is sustaining and for which the United States as a country, not Chicago, must pay. Further, we must stop any further diversion of these waters. We fortunately have the decisions of United States courts, but why should we wait for such decisions in connection with a matter which affects our national rights? Fortunately for us the state of New York recently came into the arena as against Chicago, and now we have several states fighting Chicago, and others backing up Chicago, desiring to get water with which to deepen the Mississippi river. Even should the decision be to deepen the Mississippi, Canada's rights still obtain, no matter what the American courts may decide. We are a part of the British Empire and expect our reasonable share of protection, assuming that we are not able to handle the matter for ourselves, as of course we would like to do.

There is no real problem in this connection, because we have the admission of men like Mr. Hoover, who said the other day, "Oh yes, we could pay for that water." He said they were taking now about 10,000 cubic second feet, and that Chicago could probably get along with 6,000 cubic second feet and use the balance to deepen the Mississippi river. Paying for the water is a very small part of the question. At the time that treaty was entered into water power was not so important as it is to-day, because the world had not then realized the power which could be generated from falling water, and navigation was the important point. Chicago and other neighbouring cities on the lakes were allowed to take what water they needed for sanitary and domestic purposes, but nothing was suggested in the treaty permitting them to take water out of one watershed and put it into another. That is against the laws of all nations of the world; you cannot legally take water out of one watershed and divert it into another. Canada and the United States have equal shares in this water; we have been and I hope always will be friendly neighbours. I have a friendly feeling towards the people of the United States, and it is difficult for me to understand why for fifteen years or more men as able and clever as Chicago business men should be so fussy about taking this water from the Great Lakes when, by the expenditure of a few million dollars of their own money, they could have all the sanitation necessary without an international complication, which so far has twenty-four states opposing Chicago on one side side and about ten on the other.

The Liberal party was in power at the time this treaty was made; they saw this going on, but never supposed, I believe, that Chicago would continue to take more and more water to which that city had no legal right. With all respect, I think that without further delay the government of this country should present through the British ambassador at Washington a claim for the damages we have sustained by the Chicago diversion, with full notice of the future damages we would claim, and a polite request that the city of Chicago in attending to its own domestic water supply comply with the terms of the treaty concluded between Great Britain and the United States with respect to that matter.

This is such a vital matter that one wonders that not more attention has been given to it in the past, and I think the hon. member for Toronto Northwest (Mr. Church) has done a great public service to Canada in the last four years in bringing to our attention what has been going on. We have been a hopeful and peaceful people; we have believed that probably Chicago would comply with the terms of the treaty, but recently they had an order of the court to continue to take an additional 10,000 cubic second feet. As far as Canada is concerned, they have not the right to take one additional cubic foot per second. They can take the water for domestic purposes, but they must return it to the watershed from which they take it. We should stand on that position, and ask our friends in Great Britain, through the British ambassador at Washington, to present our case. We have a perfectly proper case, and it does not need much argument, for almost every distinguished lawyer and almost every fair-minded man in the United States, including the ministers, have taken the position that Chicago was doing wrong. As far as this country is concerned, on account of the low water levels, we are having to spend money on dredging and other methods to deepen the water all over the Great Lakes and in the St. Lawrence, while Chicago continues to do wrong and is not pay-

ing any damages to Canada. It seems to me, Mr. Speaker, that this matter would be brought to a head in a very nice pleasant and agreeable way, if a diplomatic effort were made, first of all, to present our claim in the best possible form against the United States for what Chicago is doing, and secondly, our claim that within a very reasonable time at all events—we are not so much in need of that water for power to-day, but within a reasonable time we shall need it—Chicago should be compelled to do what other cities of the world have had to do, look after their own sanitation and pay the expenses of it.

As far as the United States is concerned, it is very important, of course, as we are neighbours, that we should live on pleasant and friendly terms. I am glad it is only the city of Chicago that has got greedy in this particular matter, although I see that some distinguished gentlemen in the United States want more power for Chicago and more water for the Mississippi river. They even want a canal from the Great Lakes to New York, and to take our water to put into a canal for that purpose. Unless therefore, we take a firm position, our rights will be further infringed.

Picture for yourself what would happen if we were taking water from the United States. Why, in that great country, from the Atlantic to the Pacific and from the Great Lakes to the gulf of Mexico, you would hear one great roar. Not only that, but some of the papers of the United States have the audacity to say that the government of this country, if you please, are trying to raise a feeling against Chicago in the United States, and trying to effect and influence legislation in the United States. Now we may not agree with this government on some matters, but we know that that is the last thing any government of this country would do, no matter on which side of politics it was; but it just shows the dirty character of the attack; it is not a nice attack at all. I regret to say I saw a similar attack about a year ago made by a member of congress on Canada. He said that she was interfering, trying to affect the internal politics of the United States in connection with the Chicago matter. It seems to me that the proper course for us to take is to present our case through the British ambassador at Washington. Let him present the claim we want presented on behalf of Canada. If they want to have litigation in the United States between the state of New York and other states, they may enjoy themselves as much as they want in that matter, but so far as Canada is concerned, that does not affect our rights at all. The hon. member for Toronto Northwest said that Great Britain was paying about $600,000 a day to the United States. If we keep in as part of the British Empire, it is quite possible that we may say to the government of Great Britain: One of your commonwealth is losing an enormous amount of money by wrong action on the part of the United States, and why should one member of the family pay money to the United States so long as the United States is inflicting terrible damage on another part of the empire? But if Canada is treated fairly in this matter by the United States, there is no reason why she should not contribute to the defence of the empire.

I did not have a chance to speak in the debate the other day on our relations to the empire, but I say this as a Canadian: We have had the benefit of the British navy for the defence of this country for 165 years. We have Japan and China on one side of us, with lots of future possibilities. We have tried a navy in this country, and have not been successful, because obviously our people would much rather work at domestic matters, whereas in England the people are at no point more than fifty miles from the sea, and they love the sea; following the sea is their business, and I would much rather that we should contribute something towards the upkeep of the British navy than try to run ships of our own. They know the business; they have been in it for years, and they can get more for their money than we ever could, and no navy that we ever could have would be of the slightest use if Japan said she wanted more fish out of the Pacific ocean. The time has come when we should be very much a part of the British Empire. In 1776 the United States had had the protection of the British navy for about 130 years, against Spain, against France, and had grown great and prosperous, but when a little tax was proposed on tea, as soon as the country had got its breath, they broke away from Great Britain at a time when she was in war troubles. Let us be a part of the British Empire, and let us do our fair share, whatever it is. Certainly we should be very proud to be a member of the British Empire. No empire in the history of the world has ever had the fairness and justice which the British Empire has shown to all peoples and all classes and all conditions, and now it seems that we should have a little help from them with reference to Chicago. I cannot see myself, with every courtesy to the government of the United States, why the government of that great country—I suppose the greatest country in the world to-day, in wealth at all events—should allow a city like Chicago to go on doing the things it is doing illegally and improperly, and after the courts have decided that Chicago is acting illegally and improperly.

Hon. CHARLES STEWART (Minister of the Interior): Mr. Speaker, I think that in the main the government agrees with mostly everything that has been said by the two gentlemen who have just been discussing the matter.

Perhaps it would not be out of place at this moment to rehearse the history of this difficulty, which is international in character. May I say also that I think this is a most opportune time to be chosen for a discussion of this question, for the reason that the lakes this year, if not last year, will be at the lowest level they have reached in easily one hundred years. Still there is this comforting fact, that the lake levels, which undoubtedly are very low, have been as low on former occasions as they are at the present time. They have reached this low level partly on account of climatic conditions, as well as by reason of the diversion of water by Chicago. I agree most heartily with the suggestions of both hon. gentlemen who have spoken that the time has arrived when we should press most vigorously for a settlement of this difficulty. But we must not shut our eyes to the fact that the Chicago diversion is responsible for only six inches of the lowering of the lake levels at the present moment. I do not say that with any hope of diverting attention from Chicago but rather with a view to urging more strongly than ever the restoration of the water diverted. But inasmuch as the hon. gentleman who has just taken his seat has pointed out that shipping will lose millions of dollars on account of the lower lake levels and of the difficulty of getting into our harbours, this is the time in my opinion when vigorous action should be taken in connection with this matter. I do not say that vigorous action has not been taken up to this moment. I do not quite agree with my hon. friend from Toronto (Mr. Church) that the government have been lax in their duty in bringing this question to the attention of the American government, because we have been doing that repeatedly and doing it through the British representative at Washington, the only avenue by which we could approach the United States government. May I say this: We have never, either now or any other time, authorized any individual in a private capacity to go down there and speak for the government of Canada. Private individuals have accompanied delegations to Washington and to conventions of interested cities and municipalities along the Great Lakes and made representations. I believe my hon. friend is quite correct that one of them went so far as to have an audience with the president himself. A few days ago it was my privilege to be down there, not to discuss the Chicago matter but the question of the preservation of the scenic beauties of Niagara. Incidentally the matter of the Chicago diversion came up, and may I say that I found Mr. Hoover, with whom I was in conference, most anxious for a solution of this very vexed Chicago question. However, I was not authorized by the government to discuss it and refrained from doing so except to say this in a very informal way on behalf of the government of Canada—that we do not recognize one single foot of diversion at Chicago or anywhere else. Our position was that we wanted the restoration of the water. We were not concerned with compensation for that diversion, but rather the return of the whole of that water into the Great Lakes system, the lack of which was causing us a considerable amount of damage at the present moment. That is our attitude, and if I were to spend hours in giving explanations I do not think that I could state the position more clearly.

Just a word or two about the situation on the Great Lakes in order to give hon. members, perhaps, a clearer prospect of that situation, as it now exists. As hon. gentlemen already know there is a joint administration of the control of lake Superior and that has tended—I think I am safe in making the assertion—towards retaining the level of that lake at the present moment one foot higher than it otherwise would have been. So that control will play a very important part. But last year when the low levels began to affect shipping, at the Soo difficulty was experienced, even at the entrance of the canal. However, the control board authorized the letting loose of 8,000 cubic feet of water and the difficulty was cured at that particular point. Now in fairness we cannot argue that Chicago had anything to do with that because we know the Chicago diversion affects the levels of lake Huron but not particularly the level at the outlet of lake Superior. My reason for mentioning this is that I found our American friends, in an informal discussion, very anxious to discuss remedial measures; but I fail to see how the government or representatives of this country can be prepared at this time to discuss remedial works for which the United States would be willing to pay. Our attitude is that we want restoration of the water, and not remedial works. In fairness to Chicago I must say this: We are willing within a reasonable amount of time, lest injury be done that municipality, but no longer than is absolutely necessary, to permit Chicago to establish the

necessary works for the treatment of its sewage and to return to the Great Lakes system all the water that is now being diverted. That in a nut shell is the position of the government of Canada. I found at Washington, as I say, a disposition on the part of the administration there to have the decision of the Supreme Court of the United States carried out to its full effect but I will add that, as my hon. friend has just pointed out, a tremendous amount of pressure is being exercised in congress itself by Chicago interests, or the representatives of the cities along the Mississippi river who have recently become interested in the construction of a ship canal from lake Michigan to the gulf of Mexico. What effect that pressure will have will be evidenced within a few days, as congress will evidently deal with the bill that is before it. Canada is fortunate, bearing in mind the decision of the Supreme Court in this matter, in having the good-will of the United States ministers. It is that this diversion should be discontinued, that it is illegal in every sense of the word. What the future may have in store with respect to the ultimate settlement of this question I am not prepared to say except to affirm that this is the moment at which pressure of the strongest character should be brought to bear upon the United States government for a settlement of this rather vexed question.

With respect to asking for damages for the injury to shipping that has taken place in the past it might be effective as regards the past two or three years, but one cannot say that it would be effective for a greater period than that because the lake levels did not begin to fall until about seven years ago, and owing to climatic conditions they have been falling very rapidly since that time. Undoubtedly we have suffered, and they admit that we have suffered, to the extent of six inches in the lake levels owing to the Chicago diversion and to that extent hon. gentlemen opposite may be correct in their views. But frankly I do not think that that is the strongest argument that we can present. What we want and what we have maintained throughout the whole controversy—not only this government but preceding governments—is that we should have returned to us the water that is being diverted. We are well aware of the fact that despite those protests—not in recent years may I say but in the years prior to 1920—Chicago went merrily along widening its canal, making provision for greater diversion than it enjoyed under the permit issued to it in 1899, I think, of 4,167 feet.

Mr. MEIGHEN: Who issued that permit?

Mr. STEWART (Edmonton): The Secretary for War.

Mr. MEIGHEN: Of the United States?

Mr. STEWART (Edmonton): Yes. Canada has never been consulted in connection with this diversion of water, and she never was a party to the diversion.

Mr. McGIBBON: Did Canada make no protest at that time?

Mr. STEWART (Edmonton): Not until 1912. That is the first protest, I think, that we have any record of as having been entered by the Canadian government. Of course, it must be remembered that in 1909 we entered into negotiation and consummated a treaty covering the whole waterway system. I think that treaty has been of immense advantage to Canada because on that occasion there was set up what is known as the International Joint Commission. With the single exception of Chicago, as has just been pointed out, through the instrumentality of that commission we have come to an agreement on every question that was in dispute. I think this commission has performed splendid service for Canada along the international waterways. In the first place, as hon. gentlemen will remember, there was the question of the St. Mary's river, and the allocation of the amount of water that could be diverted for irrigation purposes in southern Alberta and in the contiguous state across the international boundary line.

Mr. MEIGHEN: That was not the first one. There was quite a dispute in regard to the levels of the Rainy river and the lake of the Woods before that.

Mr. STEWART (Edmonton): I stand corrected by my right hon. friend. I was going to speak of it later, but I will reverse the order. That was settled very satisfactorily. It had in it possibilities of a great deal of controversy arising out of the allocation of those waters. It involved the bringing into the river of waters that were flowing into another direction on the United States side and it contained possibilities of developing into a serious international dispute. The first question that came under consideration of the board was that of the Rainy river and the lake of the Woods, a controversy which was settled just a couple of years ago. As a matter of fact it is not yet settled in its entirety, because an investigation is still going on with respect to the upper reaches of Rainy lake and Rainy river. But a settle-

ment was arrived at in the case of the lake of the Woods; a treaty was enacted, and that question is beyond the bounds of dispute so far as the two governments are concerned.

As regards the St. Lawrence reaches and some minor disputes of no particular importance in regard to the mouth of the St. John river, and where the international boundary should be placed, these questions have been got out of the way, so that this is the sole remaining active difficulty at the moment, and I for one am hopeful that we can, without resorting to drastic action, effect a settlement of this rather serious dispute.

Mr. GEARY: Is the matter now before the International Joint Commission?

Mr. STEWART (Edmonton): No.

Mr. GEARY: Has any step been taken to bring it before that commission?

Mr. STEWART (Edmonton): Nothing except an informal discussion between Secretary Hoover and myself the other day with respect to this matter.

Mr. ARMSTRONG (Lambton): Would the minister, when he is answering that question, be good enough to tell us what steps really have been taken by this government towards solving or attempting to solve the problem?

Mr. STEWART (Edmonton): I do not know of other drastic action that might be taken than that of entering suit, as suggested by hon. gentlemen who have spoken, asking for damages for the injury done. No one, of course, is thinking of resorting to arms in connection with a dispute of this kind. I am certain it can be settled.

Mr. ARMSTRONG (Lambton): I would expect that the government would take some legal action in the matter, or at least call the attention of the government at Washington to the condition of affairs, and the minister might give us some idea of what has been done in that regard.

Mr. STEWART (Edmonton): We have been repeatedly in communication with the Washington government by despatches protesting against this diversion and stating our position with respect to it. The correspondence in that regard has been tabled.

Mr. HEAPS: What are the replies?

Mr. STEWART (Edmonton): The replies are always that action will be taken for the purpose of reducing the diversion at Chicago.

[Mr. C. A. Stewart.]

Mr. McGIBBON: I believe, in the diversion of water at Niagara, Canada was given about 16,000 feet per second more than the United States. Did the diversion at Chicago in any way affect that?

Mr. STEWART (Edmonton): It has been argued by some of our United States friends, I believe, not officially, that because Canada had an advantage of 16,000 feet in the allocation by treaty of water at Niagara, that was in compensation for the diversion at Chicago, but I have not been able to discover anything of that kind.

Mr. MEIGHEN: It is because the falls are on the Canadian side.

Mr. STEWART (Edmonton): Not particularly.

Sir HENRY DRAYTON: The main waters are on the Canadian side.

Mr. MEIGHEN: That is what I meant.

Mr. STEWART (Edmonton): At the time the treaty arrangement was made there was a diversion of power, attributable to 12,000 cubic feet already allocated to Canada, to the United States. A quantity of 4,000 odd feet would be accounted for by the fact that the bulk of the water was on the Canadian side of the river. In no way by the treaty at Niagara have we compromised the position with respect to the diversion of water at Chicago.

Mr. HEAPS: Have the United States government at any time admitted the correctness of the position that was taken?

Mr. STEWART (Edmonton): In cold-blooded language they have not admitted that the diversion at Chicago was illegal. The position that the United States government will likely take is that when the treaty of 1909 was enacted lake Michigan was only incidentally mentioned, and I know the argument pleaded by the United States lawyers before the Supreme Court of the United States was that the waters of lake Michigan were not boundary waters and therefore the diversion from lake Michigan did not apply to the Boundary Waters' treaty. I may say frankly that is an absurd position to take, but I am pointing out to my hon. friend that is one of the arguments they are using. It is true lake Michigan is not mentioned as boundary waters, but it is also true that the outlet of lake Michigan is into lake Huron and that the flowage from lake Michigan affects boundary waters.

5 p.m.

Sir HENRY DRAYTON: I suppose the minister pointed out that the lake of the Woods was in the same position.

Mr. STEWART (Edmonton): Quite irrespective of the treaty of 1909 international law makes it very clear that that is the case. When the treaty was enacted in 1909 between the government of the United States and the government of Great Britain, which means after all the government of Canada, through the British ambassador, there was a permit, not mentioned in the treaty at all, for the diversion of 4,167 feet of water. Therefore, because that was in existence, they argue that they are entitled to at least that much. The government of the United States have never officially to the government of Canada taken that position.

Sir HENRY DRAYTON: I hope not.

Mr. STEWART (Edmonton): We have no definite admission from the government of the United States as to what interpretation they will put upon the matter other than that obtained from them a few weeks ago which I placed on Hansard on the 24th February, showing what that diversion meant and what a reduction in that diversion bringing it back to the permit of 1899 of 4,167 feet would mean.

Mr. McGIBBON: Would the diversion at Niagara be affected in any way if the exportation of that power to the United States were stopped?

Mr. STEWART (Edmonton): The matter of allocation of power between the two countries will undoubtedly come up at a later date. It seems to me that the only position Canada can take is that there shall be an equal distribution of power all along the international reaches. I hope that the report of the St. Lawrence Joint Engineering Board will be submitted in June—I am informed it will not be later than June—and when it is we shall have a comprehensive finding on the St. Lawrence and its reaches.

Mr. CHAPLIN (Lincoln): What does the minister mean by an equal distribution of power? Does he mean that at Niagara the distribution should be equal?

Mr. STEWART (Edmonton): I am speaking of the whole international stretch.

Mr. MEIGHEN: That would involve the same meaning as the hon. member for Lincoln infers. I think it is serious for the minister to say that there should be an equal distribution of power as between the two countries.

Mr. STEWART (Edmonton): I do not follow my hon. friend.

Mr. MEIGHEN: This is the point. At Niagara the greater flow is on the Canadian side; the main flow is there, and all that flows on our side is our water. That flow is much greater than the flow on the United States side, and we should have it, just as if at any point along the boundary the greater flow happened to be on the United States side it should belong to the United States.

Mr. CHAPLIN (Lincoln): We have a larger amount of power at Niagara than they have on the United States side.

Mr. MEIGHEN: We should not admit a right to equal distribution.

Mr. STEWART (Edmonton): The question in regard to the whole international stretch will come up for consideration, embracing power from one end of the system to the other. It must come up, because the question of export is bound to be considered sooner or later.

Mr. McGIBBON: I understood the minister to say that we were given 36,000 feet at Niagara as against 20,000 on the United States side, by reason of the fact that the greater bulk of the flow was in Canada, and partly, as well, for the reason that power was being exported from Canada to the United States. Is that correct?

Mr. STEWART (Edmonton): Yes.

Mr. McGIBBON: Suppose we should withdraw that exportation of power, what would be the effect on the distribution as between the two countries.

Mr. STEWART (Edmonton): If we were dealing with Niagara alone then undoubtedly, because of the larger volume of flow on our side of the river, we should be entitled to greater consideration. But I was speaking broadly in reference to some agreement covering the whole range of power.

Mr. BRISTOL: Will the minister be good enough to let me read a short quotation apropos of this point. The following is of interest:

The object of legislation would be to put a stop to the further depletion of the falls, and at the same time inflict the least possible injury upon the important interests now dependent upon this water power. The

amount to be diverted on the Canadian side (36,000 cubic second feet) has been fixed with a view to allowing to the companies on that side the amounts for which they now have works under construction, which are:

Canadian Niagara Power Company.. ..	9,500 c.s.f.
Ontario Power Company..	12,000 c.s.f.
Electrical Development Company.. ..	11,200 c.s.f.
Niagara Falls Park Railway Company	1,500 c.s.f.
Welland canal or its tenants (in addition to lock service)..	1,800 c.s.f.

One of the effects of such legislation would be to give to Canada the advantage of diverting more than is diverted in the United States. The advantage is more apparent than real, since the power generated on the Canadian side will to a large extent be transmitted to and used in the United States. In the negotiation of a treaty however, the point should be considered.

That was one of the matters that were considered when our share of 36,000 feet was decided upon.

Mr. CAHILL: What is the hon. member quoting from?

Mr. BRISTOL: I have just read from a note of my own made from the report submitted to the United States before the treaty was agreed upon.

Mr. STEWART (Edmonton): What the hon. member has read has not very much bearing on the present allocation of 36-20.

Mr. BRISTOL: It is of interest as showing how the 36,000 feet was arrived at.

Mr. STEWART (Edmonton): What we are all concerned with is to maintain the position we now take at Niagara, that we are entitled to greater consideration in the distribution of power.

Mr. CHAPLIN (Lincoln): Will the minister repeat the statement he made a few minutes ago with reference to the lowering of the water level in lake Erie?

Mr. STEWART (Edmonton): I do not remember referring to lake Erie, but the level is lowest on lake Huron. We have suffered most there. Generally speaking, however, the lowering under normal conditions is well on to three feet on lake Huron.

Mr. CHAPLIN (Lincoln): I thought I heard the minister say that on lake Erie it had been thirty-two and a half inches during the past four years.

Mr. STEWART (Edmonton): There has been a considerable lowering generally, and the situation is serious. Perhaps no one realizes this more than the shipping interests, who are suffering most, because at the moment the power interests are not suffering. They are drawing the usual amount of water, and will continue to do so unless lake Erie should go dry.

Mr. McGIBBON: Converting the diversion of water into horse-power and deducting the amount of power at present exported to the United States, what would be the relative distribution as between Canada and the United States?

Mr. STEWART (Edmonton): I should not care to discuss that phase of the question, and in any case I think that Canada should take the ground that we will not admit any diversion. We are not asking for compensation; we want to get the water back.

Mr. McGIBBON: The minister does not understand me. What proportion of power are we actually getting at Niagara, after deducting the amount which we are now exporting? What share is due to Canada?

Mr. STEWART (Edmonton): Because of the fact that the greater flow is on the Canadian side, I could not answer that question offhand. Indeed, I would not venture to discuss it without going thoroughly into the subject with the engineers.

Mr. MORAND: As a result of that lowering of thirty-two inches to which reference has been made, how much water is added to Chicago?

Mr. STEWART (Edmonton): Six inches.

Mr. MORAND: How is that arrived at?

Mr. STEWART (Edmonton): At the moment they are diverting 9,700 cubic feet of water. That flowing into lake Huron and through the reaches and waterways would increase the depth on this side by six inches; conversely, when it is diverted, there is a lowering to that extent. That is the engineers' statement, not my own.

Mr. MACLEAN (York): Has there been any discussion of some policy of conservation in connection with this depletion of water?

Mr. STEWART (Edmonton): As I have already said, we have refused to listen to any proposals looking to compensation. In my opinion, the first thing for us to do is to get the water back. That is the business of the government. Chicago is more than willing to erect any compensating works, but although I am a layman and not an engineer, I fail to understand how we could benefit

thereby. I can appreciate the fact that the spring flowage might be held in check by retaining works, but I do not see how any such works could restore six inches of water on this side, which is so important to us. Six inches of water means a great deal to us: it represents the difference between the facility for getting our larger ships up to Montreal and the necessity for having them call at Quebec.

Mr. MACLEAN (York): Up to Toronto even.

Mr. STEWART (Edmonton): That may come later. It is so important that we get the water restored that I do not believe Canada can consider any works by way of compensation for that diversion. I think that is the only position we can take. Chicago is but one municipality, and it must provide itself, as my hon. friend has stated, just as every other municipality has had to provide itself, with adequate works to take care of its sewage, because it is Chicago's main contention that it had to have this water for sanitary and sewage disposal purposes. The canal they want built from Chicago to the gulf of Mexico only entails a flowage of 1,000 cubic feet per second, or one-tenth of what is being taken to-day by the drainage canal. Chicago can have the proposed canal. So Canada is not inflicting any hardship on Chicago by insisting on the restoration of this water. I do not mean to say that reasonable time should not be given Chicago to make other arrangements for handling its sewage, but any unreasonable delay in the restoration of the water should not be countenanced by this government or by any private citizen of Canada. I think that is the position we should take in this very important matter, and that is the position that should be pressed and will be pressed by this government upon the American government. I do not think this is the time to discuss with Chicago or with the United States government compensating works for the diversion of this water.

Some hon. MEMBERS: Hear, hear.

Mr. STEWART (Edmonton): Rather I would stress the position we have taken, and the position that we intend to maintain: the return of the water within a reasonable period for the benefit of our shipping along the Great Lakes and, incidentally, for the greater production of power.

Mr. CHAPLIN (Lincoln): A minute ago the minister said that there had been no loss by power companies owing to shortage of water. He must know that that is not absolutely correct.

Mr. STEWART (Edmonton): I beg to differ with my hon. friend. They are drawing all the water they are entitled to at Niagara.

Mr. CHAPLIN (Lincoln): But there are other water powers besides that at Niagara. For instance, there is one large power company that uses water viz: the Cataract Power Company. When the water is down in the Welland canal, and boats cannot get through, does the minister mean to say that the government does not stop the water going to the Cataract Power Company? In fact the minister must know that the water has been stopped to enable boats to go through the Welland canal.

Mr. STEWART (Edmonton): I am not going to dispute that point with my hon. friend. I thought he had reference to the point raised that there had been a reduction of the 36,000 cubic feet per second that we are using at Niagara. There has been no reduction.

Mr. CHAPLIN (Lincoln): The minister said that the power companies had not been affected by any shortage of water. I say that that is not absolutely correct, because I have mentioned a specific case where a power company was very much affected, and rightly so, because navigation first had to be looked after.

Mr. STEWART (Edmonton): My hon. friend is probably correct there. That was not brought to my attention. I was speaking primarily of the power companies on the international reach.

Mr. CHAPLIN (Lincoln): The Cataract Power Company throw their water over the Niagara escarpment the same as the Niagara companies do.

Mr. STEWART (Edmonton): That is, they use the surplus water from the canal?

Mr. CHAPLIN (Lincoln): Yes; but the water to create the power is thrown over the Niagara escarpment at Decew Falls.

Mr. STEWART (Edmonton): Yes.

Mr. BRISTOL: The extract I read was from a report of the International Joint Commission at the time the treaty was under consideration.

Mr. STEWART (Edmonton): In all probability if we are to have cycles of this character we will have lowering of the lake levels. I have discussed the matter with eminent engineers, and they say that perhaps some steps will have to be taken to preserve the levels

of the Great Lakes altogether irrespective of the Chicago diversion; that is, assuming this diversion was stopped and the water turned into the Great Lakes, there would still be necessity to take those steps. I think that is apparent from the very low levels at the present moment. If such remedial works were undertaken there would be an equal allocation of the cost between the two countries, and a study of the subject could very well be made. But it is evident to my mind that the municipality of Chicago is seizing upon every possible excuse to delay remedial works of their own to take care of their sewage in order that the diversion may continue, and I am exceedingly anxious first of all to get this out of the way; then we can discuss whatever remedial works may be necessary to preserve the lake levels.

Mr. MEIGHEN: How often do these cycles occur?

Mr. STEWART (Edmonton): I have before me a report dating one hundred years back, but looking up the records I find that in 1895 the lake levels were as low then as they were last year. If we are not mistaken about the prospects for this year, the levels will go still lower. Consequently we will have to meet the difficulty.

Mr. ROSS (Kingston): How many years did that continue after 1895?

Mr. STEWART (Edmonton): The low point was in 1895: It was undoubtedly one of the dry cycles. I will get that information for my hon. friend. In the opinion of some engineers, possibly the lakes will never go back to their old level, but in 1895 they were down very low. The levels were restored during periods of excessive rainfall. But transportation is becoming so important and we have so much money invested in it, that undoubtedly some measures will have to be taken to tide us over the dry cycles when the lake levels run low and interfere so seriously with navigation.

May I say in conclusion, Mr. Speaker, that we intend to press for the restoration of the water to the Great Lakes levels? In my opinion that is the paramount duty of the government. Not only are the municipalities along the lake shores of Canada suffering, but the lakefront municipalities in the United States are also suffering, and they also are pressing their claims upon the government of the United States and insisting that it deal summarily with this very serious matter and name a definite date for the full restoration of this water to the Great Lakes system.

[Mr. C. A. Stewart.]

Mr. G. R. GEARY (South Toronto): Mr. Speaker, at the outset of my remarks may I refer the hon. minister to Hansard of February 24? At page 1284, in answering a question respecting the Chicago drainage canal, he intimated that Chicago would be allowed until 1935 to complete such modern sewage disposal works as would enable it to dispense with the reversed flow from lake Michigan down the Chicago drainage canal. In other words, instead of treating its sewage as every modern and progressive city is doing, Chicago is relying still on the old-fashioned flushing system which sweeps the sewage back through the Illinois river down to the Mississippi. These disposal works are made the condition, as I understand it, of the permit to use lake water, and I judge from what the hon. minister said on February 24, that he and the government acquiesce in the proposal that Chicago shall have until 1935 to dispense with the necessity of taking water from lake Michigan.

Mr. STEWART (Edmonton): If my hon. friend will look up the statement preceding the definition, he will find that we secured from the Secretary of State of the United States a statement as to what that permit meant, and at what date they would undertake to have the works under way; but there is no acquiescence by Canada.

Mr. GEARY: All right, so far that is satisfactory. I wanted to know what the position of the government is. If the government have not already acquiesced in that, they surely see the danger and should take some definite step towards preventing the diversion of any water at all. May I point out that if this situation is acquiesced in we are faced with a new proposal, that the states bordering the Mississippi river have joined together in a very strong organization which is likely to overpower the government in Washington, so that even if the Chicago sewage disposal system is completed in 1935, this government may rest assured that that is not the end of the diversion of water from lake Michigan by Chicago. The power question is inconsiderable; they only develop 1,000 horse-power at the end of the Chicago drainage canal, but the question of continuing that drainage canal to make it connect with the deeper water of the Mississippi river is a live subject in these Mississippi states, and if the project is not scotched now it will reach the point where neither the United States nor anyone else can stop it. I call my hon. friend's attention to that position because I want to know what he has done

and what he is going to do. We have heard of close contact and of watchful waiting, in different comunications, but it seems to me that so far as the minister is able to give it to the House this afternoon, masterly inactivity is a proper description of the government's position. I think we should take such steps, either through the joint waterways commission or through the British ambassador at Washington or in some definite way, as will put this whole matter up for discussion and settlement immediately. One does not worry only about the present situation; it is bad enough, but the continuance of withdrawal of water from the Great Lakes at Chicago to make a channel down the Mississippi river is fraught with the greatest danger to navigation on the Great Lakes. I hope the minister will be able to tell us what he has done through the British ambassador or otherwise, and what representations have been made with a view to the immediate settlement of this whole question.

Mr. F. G. SANDERSON (South Perth): I do not desire to prolong this debate in any way, Mr. Speaker, but I want to put myself on record this afternoon in a very few words. I want to say that I am not quite in accord with the resolution as worded. I imagine also that there is a little bit more politics in it than there should be, but apart altogether from that I agree with a great deal that has been said by hon. members opposite. I will go this far, and say that I think the hon. member for Toronto Northwest (Mr. Church) deserves a great deal of credit for bringing this matter up again. It is a question that concerns not only the people of Ontario but the people of the whole Dominion as well. In Ontario we hear it discussed more and more all the time; it is getting more vital, and people are becoming more insistent in demanding that some solution of this difficulty be found.

Mr. CHAPLIN (Lincoln): Is that why politics come into it?

Mr. SANDERSON: I simply said that the wording of the resolution was a little more political than was necessary. I cannot conceive of the hon. member who asked me that question considering any matter in this House without political bias. As a new member I am prepared to discuss any matters in this House fairly at all times, and I hope in an unbiased way. As I said before, some way must be found to stop this steal of water. We have had various opinions expressed as to the amount of water Chicago is taking, and a difference of opinion also as to the amount the level of the lakes has been lowered. Until this afternoon I had not heard that the Chicago diversion was lowering the lake level only to the extent of six inches. I have heard the figure given as being all the way from one to three feet. I do not know which figure is correct, but altogether apart from that question, and the amount of water being taken, it is conceded by the United States government that Chicago is practically stealing that water. If that be so, why can there not be some solution found which will stop this steal? Why cannot the government of the day in some way at least restore the water? I am not going into the question of compensation; I am only a layman and my mind does not run in that direction, but I want to view this matter in a common sense way, and I must say that I am very glad the minister expressed himself as he did this afternoon. I would have preferred if he had gone further and been more explicit as to what the government intended to do to solve this question, and I hope that as the session goes on the minister will take this House into his confidence further. This is an international question now; it vitally affects the Dominion of Canada, and I hope that some solution will be found whereby the water taken from the Great Lakes may be restored. If it is possible to make the city of Chicago pay, damages should be collected. They have done wrong; their courts have practically said that they are in the wrong. I will not take up the time of the House longer, other than to say that as a new member from Ontario, I am vitally interested in the settlement of this question by this government as speedily as possible.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Mr. Speaker, this question has been before parliament during each of the last four sessions, and possibly previously, but as far as I can observe we are not one whit farther towards obtaining—or indeed towards the assertion of—our rights than we were when the question was first mooted. Though I have heard every discussion to date I have never yet discovered in any of them an attempt to make this great issue a subject of party controversy in Canada. If the hon. member for South Perth (Mr. Sanderson) can so define the present discussion, I congratulate him upon the fact that his perspicacity is at least that much greater than mine. We want in this House, in a question concerning our relations with foreign nations, to strengthen so far as

possible the hand of the government of the day, whatever the government may be. I know that if I were a member of the government, the stronger Canada's case was put, the more frequently it was presented, the more determinedly it was emphasized and insisted upon in the House of Commons of this country, the better I would be pleased. By that means the government is in a position to represent the feelings of this country to the authorities of the United States. I do not know that the people of the United States or the government of the United States are interested very much in the rights of Canada; we are supposed to look after those rights ourselves, but I do know that they are interested in the goodwill of Canada and in the goodwill of the Canadian people, The goodwill of the Canadian people is an asset to the United States of America, and an asset which they as a shrewd nation will not very readily impair or lose. Consequently, it is of importance that the people of Canada get to know just what is and has been going on, that the whole people get to understand it, and, getting to understand it, that they express themselves freely and strongly in order that the United States may apprehend just what they have to lose by persistence in their present conduct. We have to do only with the government of the United States; we have not to do with the city of Chicago. It is well to begin with, therefore, to understand what is the position.

We have nothing that can be called a legal right in the sense that we have a right enforceable in a court. The only reason we cannot call it a legal right is that two nations are concerned instead of one. Over a score of years we have lost an asset of the Canadian people, an asset of comparatively little value twenty or thirty or forty years ago, but of a value increasing in geometrical proportion every year since, an asset which now is one of the most prized of our possessions. That has been taken from us year by year by the city of Chicago, a city of the United States of America. That asset is the water of the Great Lakes system, taken from us, first in substantial but relatively small quantity, and now taken from us to the extent of 9,700 cubic feet per second; I use that figure because it is the figure authorized by the United States Supreme Court in a judgment addressed to the city of Chicago. I cannot help but bow in admiration before the consummate assertion of self-right by a court of the United States calmly to grant to one of the cities of the United States, without in any way speaking to its neighbour, Canada, the right to take our property.

Mr. MACLEAN (York): On the authority of a department of the government of the United States.

Mr. MEIGHEN: But they have done so to the extent of 9,700 cubic feet per second. Nor have we any very firm ground for asserting that the Chicago drainage district is confining its depredations to the limitations fixed by the Supreme Court of the United States. I do not know myself whether it is or not, but if my life depended upon a guess, I would put the extent of the diversion away above the 9,700 cubic feet. That that quantity is taken goes, of course, without saying, but the extent of it is very hard to fix definitely. The United States agree that it reduces the level of our lakes by six inches. Even if that is to be accepted, it undoubtedly means the loss of millions per year to this country. We know, however, that our lakes have fallen to the extent of 32, if not 36, inches, and very few of the Canadan people can ever be brought to believe that that fall of 32 to 36 inches is attributable only to the extent of one-sixth to a diversion of approximately 10,000 cubic feet per second.

Now were this a matter of merely legal right between one party and another in the same country, it could very quickly be settled.

Mr. STEWART (Edmonton): May I just interject, lest my hon. friend be under a misapprehension, that I was quoting the figures of our own engineers as to the six-inch reduction in depth?

Mr. MEIGHEN: The minister stated that the United States admitted that amount.

Mr. STEWART (Edmonton): Yes, but I juet wanted now to point out that it was not the figure of the American engineers, but of our own Canadian engineers, that the diversion of 10,000 cubic feet per second would lower the Great Lakes level by six inches.

Mr. MEIGHEN: Would lower it six inches in how long a time? Certainly if it is continued year after year it will lower it more than if continued for only a month. I do not know just what the minister means. What I stated was his own words.

Mr. STEWART (Edmonton): May I make myself clear to my right hon. friend? If you returned the diversion of 9,700 cubic feet per second—say 10,000 in round figures—into the Great Lakes system it would raise the depth of the water from lake Huron eastward all through the system by six inches.

Mr. MEIGHEN: In what length of time?

Mr. STEWART (Edmonton): The moment you turn it in and the water goes down through the system.

Mr. ARMSTRONG (Lambton): Returning the water over how long a period? For a year?

Mr. STEWART (Edmonton): As fast as that volume of water reached the St. Lawrence, it would raise the level and would continue to keep it raised so long as that water flowed in. If you take the water out, the level drops by six inches.

Mr. MEIGHEN: I am afraid the minister has not apprehended fully the advice given him. Undoubtedly the factor of time has to be taken into account just as much as the quantity of water. To say that the same thing would result in a week as would be the ultimate result seems to me to be nonsense. Undoubtedly the increase in the level would be greater if the flow was continued for a year than if continued for only a week, and a time would arrive at which the total effect would be reached and no more could be looked for. But the factor of time must be taken into account. Very well. Whatever it may be, there is a loss, and certainly a loss of that amount in the level must be taken as accepted.

I was saying that were this a matter between one party and another in the same country, the courts could settle it in the course of a week. There would be no law in dispute; there would be a principle of justice in dispute. Upon these elementary principles everybody has been agreed in every civilized nation for generations. If there is one principle more firmly established than another as relating to water it is that it must not be diverted from its natural channel to the injury of another, that when a water basin is established by nature the currents of water within that basin must run on unimpeded, and it would not matter whether lake Michigan were wholly in the United States or not, or whether the streams flowing into it were wholly within the United States or not, the ordinary common law and the principle of common sense would apply that you could not interfere with any water that affected the level of waters in which the two parties were interested. For example, if it is held that because lake Michigan is within the borders of the United States, though a part of the Great Lakes system, Chicago has the right to lower the level of the lake Michigan, or that because the river Michigan is wholly within the state of Michigan it has a right to divert waters in that state, the same would apply on the Canadian side, and we could divert the waters that flow into the St. Lawrence, greater than any that flow into it from the United States, and thereby dry up very largely the whole Great Lakes system. In a word, if both countries acted on that principle the whole Great Lakes system could be brought to an end in a very short time. It follows, unless the principle of force instead of the principle of right is to apply, that we must adopt the principle of the common law. We must come as two nations to the same position that two litigants must come to and acknowledge that water turned by nature into a certain channel must remain there and must not permanently be diverted therefrom. That there is, under the Ashburton treaty, a right to the use of these common waters for sanitation purposes, common to both parties to the contract, is of course admitted; but the use of the waters is one thing, the diversion of the waters is another. The use of the waters is quite consistent with their return to the original channel and no party is affected, but such is not the step taken by Chicago. Chicago takes the waters, turns them from the Great Lakes system altogether, turns them down into the Mississippi, and uses them as a source for developing a great American asset a series of powers along the Mississippi channel at our expense. Now, I stated and I repeat, that were there any common court before which we could come where these principles are acknowledged as they are the world over the matter could very quickly be settled. I add to that this: Were Canada a nation of fifty millions of people, and the United States a nation of the same population we would not be pleading at the door of the republic to-day. This matter is so plain that it would not have to await solution so long.

I said this was a matter between Canada and the United States. Canada has been protesting, I think pretty consistently protesting, against the diversion. Canada has been meeting all the excuses, all the defences, put up by the United States government, and, I think meeting those excuses and defences fairly successfully too. But we have got nowhere. One of the defences, as outlined by the Minister of the Interior, is this, that the Chicago drainage district had a license from the United States government in 1899, after the Ashburton treaty was executed, and while that license existed and was in effect we signed a treaty and did not specifically outlaw that license. So far as I have ever heard this is the best defence ever put up by the United States. What does it amount to?

It does not disturb the principle of common justice and common sense that I sought to explain before. It may be they were doing this against their right, it may be we did not take the pains to force them to contract themselves out of it. That may be but surely, it would appeal to the simple mind of any person that unless we contracted ourselves out of our right, we still have that right. We did not contract ourselves out of our right, consequently it does not lie in the mouth of the United States to say to us "Though we were taking this water that we had no right to in 1899, the fact that you made a treaty and did not bring us to terms makes that diversion permanent." It does not lie in their mouths to say that at all. They would have to establish that in that treaty we extended to them a privilege beyond the bounds of the common law and the comity of nations. There is nothing at all in that contention.

Mr. STEWART (Edmonton): May I make that statement of mine a little clearer, because I do not want my right hon. friend to be under a misapprehension. That argument was made by the legal representatives of Chicago in the Supreme court. It has not been asserted by anyone representing the American government. That is the point I wanted to make.

Mr. MEIGHEN: I am glad to hear it has not been addressed to Canada and I hope it never will be. I do not know what argument the United States could advance in defence of their conduct at all. I am quite aware that in the United States there is considerable opposition to this diversion. I believe the western states are as a whole opposed, and as far as I know the state of New York is, generally speaking, opposed. The Mississippi states favour it. I do not believe in a policy which seeks, so far as Canada is concerned, to add to the strength of the opposition in localities of the United States. That is for the United States to look after. We look to the United States to stand up and do justice to this country. And I do not believe either in waiting in the anterooms of the Supreme Court of the United States—waiting there to see what the United States courts are going to decide about a matter in respect of which they have no jurisdiction, a matter in respect of which at least our jurisdiction is co-equal with their own.

The hon. member who brings in the resolution says we ought to go to Great Britain. The treaty is made, he says, between Great Britain and the United States. We ought to go to Great Britain and call upon her to enforce this treaty, of course for the benefit of our country. Well, that is a subject upon which one wants the fullest information before venturing upon very deep discussion. Let me say this: I have not up to now seen evidence adduced on this subject to show me that we have yet reached the stage where we can justly call upon Great Britain to take any steps in this matter. It seems to me we must exhaust every remedy first before we can go there. I do not think we are in any strong position to go to Great Britain and ask her to interfere in these relations at the present time. Great Britain as such has nothing herself to gain. We have very much to gain. We have very much at stake. I do not think that we have done very much of late to put us in a position to ask her to step in at this stage and help us out of this difficulty. It seems to me before we get to that point we ought to exhaust this remedy at least: We ought to see to it that the tribunal already established has the case before it. That tribunal of course is the International Joint Commission. I cannot see how the United States could even refer this question to the International Joint Commission, but at least they could be put in the position where they would have to refuse. I do not know what they could put behind their contention to warrant its reference there. Still I do not see how, without exhausting the powers given us before that tribunal we could go to the foot of the throne and ask for the intervention of Great Britain. Such is the situation as it presents itself to me.

Let me say that protests go a certain distance. Keeping in close contact is of course worth while. Watchful waiting sometimes has to be suffered. But all these things do not get us very far—at least they have brought us but a very short distance up to the present time. All that has happened so far is this: We have had to dig down in our pockets at the expense and the sweat of the Canadian people and atone and make up for what the United States has, wholly illegally and without shadow of right, taken from us. There is where we are now. What should be done is this: We should get into a position where the United States would be at our door rather than us at theirs, and we should at, as early a date as possible get this matter before the only tribunal which has any jurisdiction or any appropriateness as an arbitral tribunal in the premises. I do not feel myself quite patient enough to wait for the expiration of that long period mentioned in the judgment

of the Supreme Court of the United States, when possibly Chicago will find herself pleased to establish a modern system of sanitation and to return to us at least some of the water to which she never had any right. I agree wholly with the hon. member for South Toronto (Mr. Geary) that if we sit down quietly and abide by that judgment as though it were given by a tribunal that had authority over us, we have just as much hope as we had ten years ago of being in a better position ten years hence than we are to-day, and just as much hope of having this matter entirely righted. We cannot be satisfied to await that event. Whatever can be done should be done now. I have indicated the lines upon which I think we ought to proceed, and I can assure the House that the government will have every endorsation and assistance that can come from this side in the prosecution of a solution of the question along those lines.

Mr. ROSS (Kingston): Mr. Speaker—

At six o'clock the House adjourned, without question being put, pursuant to rule.

Thursday, March 25, 1926

The House met at three o'clock.

PRIVATE BILLS COMMITTEE

EXTENSION OF TIME FOR RECEIVING PETITIONS AND FILING BILLS

Mr. GEORGES PARENT (Quebec West) moved:

That in accordance with the recommendations contained in the first report of the select standing committee on Miscellaneous Private Bills, the time for receiving petitions for private bills be renewed until Wednesday April 14 next, and that that portion of rule 89 which limits the time for filing private bills be suspended for the present session.

Hon. J. A. ROBB (Minister of Finance): Mr. Speaker, when this motion was before the House yesterday I asked that it might stand until I had had time to ascertain exactly what it involved. The Internal Economy Commission has reported on the question, and I purpose to place its report on Hansard so that the House with this report before it may share responsibility with the Private Bills committee if this motion is agreed to. This is the commission's report:

The Commission of Internal Economy of the House of Commons held a meeting this morning and took up the question of remitting fines to such applicants for private bills as did not present their petitions within the delays fixed by the rules.

The Private Bills committee report, read in the House yesterday, recommended that the time for receiving petitions which expired on February 18 last be extended until Wednesday, April 14, next, and that rule 89 be suspended in relation thereto. A motion for concurrence in this report is to be made this afternoon. The Clerk of the House has pointed out that under this rule a fine of $200 is levied on all bills introduced after the twelfth week of the session. There are at the present time a large number of divorce bills and several incorporation bills for which the delays have expired. As we have 175 divorce bills so far, most of which have come too late, and several companies' solicitors have informed us that they intend to apply for legislation, I may safely say, after consultation with the officers of the House, that the aggregate amount of fees and fines thus remitted would be approximately $20,000.

In the case of companies, the promoters avoid paying a large fee by introducing their bills in the Senate, where they are only called upon to pay $300 whether they are late or not. When the bill comes before the Commons a net fine of $200 is charged because a petition has not been duly filed. In this way the country makes $500 on that particular bill.

The Commission of Internal Economy went into the matter very thoroughly, and heard Mr. Walter Todd, Chief of the Private Bills branch, who represented that such a report as the one presented yesterday by the chairman of the committee had not been made to the House for the past fifteen years. It has been the custom to consider each case on its own merits.

Moreover, it is no fault of parliament if the applicants for private legislation are late in presenting their petitions. Sufficient notice of the opening of the session was given to the general public; shortly after the general election it was officially announced that parliament would be called for December 10—the proclamation calling the session for January 7 was published in the Canada Gazette on December 1.

There does not seem to be any valuable reason why petitioners should not have been ready in time. It is certainly not the fault of the House of Commons if they are late, and the commissioners were of the opinion that parliament should not be penalized under the circumstances.

I direct what follows to the particular attention of my hon. friend (Mr. Parent):

The principle that whoever is responsible for the delays should pay the costs was accepted as the best solution in the matter.

Heretofore parliament has considered each case on its merits, and I submit to my hon. friend that he might very well point out to the Private Bills committee the practice which is usually followed in such cases. It seems to me that the Private Bills committee, fairly representative of both sides of the House, has not carefully considered how this wholesale proposal will affect the public revenues.

Mr. PARENT: Mr. Speaker, I fail to see that the Commission of Internal Economy has anything to do with the purpose of this motion. If the commission has any representations to make it should appear before the Private Bills committee so that the committee may give them proper consideration. In view of the committee having unanimously made a certain recommendation, I resent the action of the commission in objecting to its adoption. However, if the House considers that the Private Bills committee should take

notice of these representations I suppose I may have to ask that the motion be referred back to the committee, but contend that the motion should carry.

Mr. W. A. BOYS (North Simcoe): Mr. Speaker, although I am a member of the Private Bills committee I was not present at the meeting which made the recommendation incorporated in the motion. But it seems to me that we are here to do the people's business, and for my part I cannot see why applications for bills should not be received at a later date so long as the bills can be put through this House while we are in session. We should accommodate the people as far as possible. Speaking for myself, I heartily support the report of the committee.

Mr. ROBB: After that statement by the chief whip of the opposition, I will not further object to the resolution. I wish to put upon the House responsibility for its adoption.

Mr. BOYS: I spoke absolutely for myself, not as the chief whip of the official opposition at all.

Mr. MEIGHEN: May I ask who is speaking for the other side?

Mr. PARENT: My motion is before the House, Mr. Speaker.

Motion agreed to.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

MR. D. E. BROWN

Mr. FOSTER:

1. Is Mr. D. E. Brown a member of the staff of the Canadian National Railways? If so, is his salary as reported, namely $20,000 per year?
2. Is Mr. George Gaston a member of the staff of the Canadian National Railways? If so, is his salary as reported, namely $36,000 per year?
3. If members of the staff, what are the duties of each of the above named, and do they receive their expenses in addition to salary?
4. What amount of expenses, if any, has been paid to each to date?

Hon. Mr. DUNNING:

Mr. D. E. Brown is a member of the staff of the Canadian National Railways and Mr. George Gaston has been engaged for some time on special work. The railway management assert that it is not in the public interest to give the information requested as to salaries and expenses.

CAMP HILL HOSPITAL

Mr. FOSTER:

1. What amount of bacon has been purchased by the Camp Hill hospital, Halifax, Nova Scotia, during (a) the year 1925; (b) 1926, up to March 15?

[Mr. Parent.]

2. From what firms, if any, has bacon been purchased?
3. What brands of bacon have been purchased?
4. Has any bacon been sold by officials of Camp Hill hospital, Halifax, Nova Scotia, during the period above mentioned, and if so, to whom sold and at what price?

Hon. Mr. LAPOINTE:

1. (a) 1,947 pounds,
   (b) to February 28th, 1926—354 pounds.
2. Since the 1st of January, 1925, all purchases have been made from the Maritime Market Limited, which, having successively submitted the lowest tender in open competition, has been given the contract from time to time since that date.
3. Brands not stated; purchase specifications are as follows,—best quality, smoked, thin rind, white fat, lean, firm and well cured, 8 to 10 pounds to piece, medium thickness.
4. No.

HARRISON LAKE HATCHERY

Mr. BARBER:

1. Is the Harrison Lake hatchery being operated by the department?
2. If not, why?
3. Has it been sold?
4. If so, for what amount?
5. Has it been leased?
6. If so, to whom?
7. What amount is being received in way of rentals?
8. Was same advertised and tenders invited?

Hon. Mr. CARDIN:

1. No.
2. Because expensive repairs are necessary for its continued operation, and the Research committee of the Biological Board of Canada is investigating the life history of sockeye salmon and the relative efficacy of artificial propagation and natural reproduction at the Cultus lake hatchery, B.C.
3. No.
4.
5. Yes.
6. The Harrison Lake Investment Co.
7. First year—care of buildings and property, saving department $900 in caretaker's wages. Second and all succeeding years—$300 rental, in addition to above. Lease—subject to cancellation by department at any time on six months' notice.
8. No.

HUDSON BAY RAILWAY—DEMONSTRATION PLOTS

Mr. McLEAN (Melfort):

1. How many demonstration plots were operated, at the instance of the federal Department of Agriculture, on the Hudson Bay railway, last year?
2. Where were they located, and what were the results at each, including cost of each?

3. Is it the intention to operate additional plots along the Hudson Bay railway?

4. If so, where will they be located and when will they be put in operation?

Hon. Mr. MOTHERWELL:

1. Four.

2. These demonstration plots were conducted at Mile 137, Mile 185, Hudson Bay Junction, and Port Nelson.

Results: The results at Mile 185 were most encouraging due no doubt largely to the extremely favourable season. Wheat, oats, and barley of the earlier varieties matured good crops of good quality. Peas of the most approved varieties successfully ripened satisfactory crops. Potatoes yielded a fair crop and the various grasses, including western rye, brome, sweet clover and red clover, all made excellent catches and promised well for the winter. At Mile 137 the yields of wheat, oats and barley were even heavier and the quality even superior. Other crops, as at Mile 185, were very successful, and the grasses and clovers went into winter quarters with good promise. At Hudson Bay Junction unfortunately the crop went in late and with the heavy June rains the small area of plots was so thoroughly flooded that no reliable results were obtainable. At Port Nelson, here again the seed through delay en route arrived so late that the crops were seeded too late to mature.

Costs: The cost of each of these small demonstration areas was very small. The plots were carefully seeded in rows one rod in length. The total area of each of these demonstration areas would not exceed one-quarter of an acre. The cost of seed, postage and other expenses excepting the supervision of these plots did not exceed $10 each.

3. Yes.

4. It is intended to carry on these demonstration areas at Port Nelson, Mile 185, Mile 137, Mile 81, Mile 42, The Pas, and Hudson Bay Junction. It is also intended to carry duplicate plots at two or three of these to cover the different types of soil, and all the small plots will be conducted in duplicate. Larger grass plots at The Pas will also be undertaken.

These will be in operation during the present season.

TENDERS FOR MARINE LEAD

Hon. Mr. STEVENS:

1. Has the Department of Marine and Fisheries recently called for tenders for supplying of white lead or red lead for marine use?

2. Did the department specify that such "lead" should be of "English" manufacture?

3. Is it the contention of the department that no lead manufactured in Canada is suitable for the purpose?

4. Is the government aware that there are at least three Canadian concerns manufacturing white and red lead of excellent quality suitable for marine use?

5. For what reason were Canadian manufacturers refused the opportunity of tendering?

Hon. Mr. CARDIN:

1. Yes.

2. The department has not specified, nor has it authorized any one on its behalf to specify that such lead should be of English manufacture.

3. It is not the contention of the department that no lead manufactured in Canada is suitable for its purposes. The general policy of the department is to purchase such lead as it requires from Canadian manufacturers.

4. Yes.

5. Canadian manufacturers have not only not been refused the opportunity of tendering; they have actually sold both white and red lead to the department.

BOVINE TUBERCULOSIS TESTS

Mr. DONNELLY:

1. In what provinces have restricted areas for bovine tuberculosis been organized and the testing done, and what have been the results as to reactors in the several areas; (a) in first tests; (b) in second or subsequent tests?

2. Is the accredited herd system of bovine tuberculosis eradication or control considered to be as satisfactory as the restricted area system?

3. How many herds have been accepted for control under the accredited herd system?

4. What are considered to be the principal advantages of this system?

Hon. Mr. MOTHERWELL:

1.

	Cattle Tested	Reactors 1st Test	Reactors 2nd and Subsequent Tests
P.E.I.	95,254	561	3
Quebec	55,111	4,173	277
Manitoba	33,698	1,306	299
B.C.	18,983	1,849	..

2. No.

3.

Herds accredited	2,200
Under accreditation	2,266
Not yet tested	266
Total	4,732

4. The elimination of tuberculosis from pure bred herds, thus reducing the dissemination of the disease through sales of pure bred stock,

and the acceptance by the United States free from restriction, of cattle from accredited herds.

HOME BANK

Mr. CHURCH:

1. What sums were spent by the government of Canada on the Home Bank since it failed on parliamentary and court proceedings, and other expenses incurred?

2. What sums were paid out to counsel "re" Home Bank, and to whom?

3. What mergers of chartered banks have been sanctioned by the Minister of Finance from 1907 to 1926?

4. What is the estimated cost of paying depositors of the Home Bank entitled thereto under the legislation of 1925?

Hon. Mr. ROBB:

1. Expenses of investigation, royal commission of inquiry and prosecutions, $75,956.62.

2.

E. Lafleur, K.C...	$ 4,875 58
H. J. Symington, K.C... ..	5,693 80
H. J. Scott, K.C...	28,500 00

3. People's Bank of New Brunswick, and Bank of Montreal. (1907).

Western Bank of Canada, and Standard Bank of Canada. (1909).

Northern Bank, and Crown Bank of Canada, under name of Northern Crown Bank. (1908).

Union Bank of Halifax, and Royal Bank of Canada. (1910).

United Empire Bank of Canada, and Union Bank of Canada. (1911).

Eastern Townships Bank, and Canadian Bank of Commerce. (1912).

Traders Bank of Canada, and Royal Bank of Canada. (1912).

Bank of New Brunswick, and Bank of Nova Scotia. (1913).

Banque Internationale du Canada, and Home Bank of Canada. (1913).

Metropolitan Bank, and Bank of Nova Scotia. (1914).

Quebec Bank, and Royal Bank of Canada (1917).

Northern Crown Bank, and Royal Bank of Canada. (1918).

Bank of British North America, and Bank of Montreal. (1918).

Bank of Ottawa, and Bank of Nova Scotia. (1919).

Merchants Bank of Canada, and Bank of Montreal. (1922).

Bank of Hamilton, and Canadian Bank of Commerce. (1923).

La Banque Nationale, and Banque d'Hochelaga. (1924).

[Mr. Motherwell.]

Sterling Bank of Canada, and Standard Bank of Canada. (1924).

Molsons Bank, and Bank of Montreal. (1925).

Union Bank of Canada, and Royal Bank of Canada. (1925).

4. The work of investigating claims has not been completed and the amount involved cannot yet be stated. $2,500,000 has been advanced to liquidators to date for payment of claims, and $21,082.63 has been paid out to defray expenses incident to the distribution.

FATHER LECOUTURE

Mr. HOCKEN:

1. Did the Indian department give Father Lecouture $11,000 of the local Indian fund belonging to the Caughnawaga band to be spent in repairing his church?

2. Was the consent of the band given to that transaction?

3. Is a wharf now being built on the Indian reserve lands at Caughnawaga, Quebec?

4. Has the Caughnawaga band given permission for such use of the land?

Hon. Mr. STEWART (Edmonton):

1. No; but during the fiscal years 1923-24 and 1924-25 the sum of $10,392.56 was spent from the capital funds of the band under contract and under authority of the Governor in Council, as provided for by section 89 and 90 of the Indian Act, for repairs and improvements to the church, which is the property of the Indians.

2. No.

3. and 4. Yes; a temporary wharf erected in 1925 by an Indian of the band, with the approval of the council of the band, is being reconstructed in a permanent manner by the Department of Public Works.

EASTER ADJOURNMENT

Right Hon. W. L. MACKENZIE KING (Prime Minister): I beg to move the motion standing on the order paper in my name with respect to the Easter adjournment. With the consent of the House I would ask that the motion be amended to read that when this House adjourns on Wednesday, 31st instant, it stand adjourned until Tuesday, April 6 next. Hon. members will recall that on presenting the motion in its original form I stated that unless the adjournment on March 26 met with practical unanimity I would not press it, but would request the adjournment customary at Easter. I trust the House will agree to the amended motion.

Mr. SPEAKER: Is it the unanimous wish of the House that the motion as amended be carried?

Motion agreed to.

TARIFF ADVISORY BOARD

APPOINTMENT OF RIGHT HON. GEORGE P. GRAHAM AS CHAIRMAN

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I heard a report, rather more persistent to-day than usual, that the tariff commission so long promised has at last been appointed. That is more or less surprising but what is more surprising still is the personnel. May I ask whether the government can announce anything at the moment in respect of this subject?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I am sure that both the House and the country will be gratified to learn that the government, after very considerable persuasion, has succeeded in obtaining the consent of the Right Hon. George P. Graham to become chairman of the proposed tariff board. Mr. Graham was anxious to have a brief space of well earned rest, but acting from a sense of public duty he has listened to the very strong representations of members of the administration and has agreed to the postponement, for a time at least, of the opportunity of recreation for which he was preparing, and to accept immediately the position of chairman of the board. I feel I am only expressing what hon. members of the House will generally concede, that with the wealth of experience which Mr. Graham will bring to the conduct of the affairs of the board he will succeed in having it organized and functioning sucessfully at an early date. I believe I voice a general sentiment when I express the hope that he will see his way clear to occupy the chairmanship of the board for a long time to come.

The government's intention is not to have a large board, but one limited in numbers, giving to the board, however, power to engage, from time to time, experts to assist it in its work. Naturally, in connection with a subject so technical as the tariff, the board will desire to have the fullest information from the best available sources, and accurate interpretation; and the government has thought that a board comparatively limited in numbers enjoying the power in association with itself to secure from different parts of the country and from various sources expert advice and opinion, would be better than a large board formed in an attempt to represent all phases and possible interests. A small body, thus empowered can, it is believed, more effectively deal with the questions that will come before it than a larger and more cumbersome permanent organization. The membership of the board has accordingly been limited to three. The Right Hon. Mr. Graham will, as I have said, be chairman and the other two members will be Mr. Joseph Daoust, ex-President of the Chamber of Commerce of Montreal, and Mr. Donald Gordon McKenzie, from Brandon, Manitoba, a well known farmer of the west. I may observe that, associated with these gentlemen, there will be a number of the members of the permanent service, chosen from various departments of the government. The Departments of Finance, Customs, Trade and Commerce, Agriculture, Labour and External Affairs and the Statistical branch will doubtless make their contributions as required. These departments all possess able public servants who have special knowledge that will be of great utility to the board in the discharge of its duties. These public servants will co-operate with the board in its work. There will also be a permanent secretary to the board. The Minister of Finance (Mr. Robb) informs me that the gentleman whose name I was just about to mention has not yet formally signified his acceptance of the position. However, I hope on Monday next to lay on the table of the House a copy of the order in council setting forth in full the personnel and powers of the board.

Mr. MEIGHEN: What has become of the promised woman member?

Mr. MACKENZIE KING: No doubt she will be among the experts immediately to be selected to assist the board.

DUTY ON AUTOMOBILES

On the Orders of the Day:

Mr. E. J. GARLAND (Bow River): I would direct the attention of the government to a report that appeared in the journals of this city recently to the effect that the government has decided not to reduce the tariff on automobiles this session, but to refer the matter to the tariff board. I trust the government will be able to assure the House that there is no foundation whatever for that report.

Hon. J. A. ROBB (Minister of Finance): My hon. friend, who has been a member of parliament for some time, knows that statements regarding the tariff are made only when the Minister of Finance presents his budget from his place in the House.

Mr. MEIGHEN: Except occasionally.

PRIVILEGE—MR. WOODSWORTH

On the Orders of the Day:

Mr. J. S. WOODSWORTH (Winnipeg North Centre): On a question of privilege I should like to make a statement with regard to a charge which was made the other day by the hon. member for Toronto Northwest (Mr. Church) concerning myself. I quote the following from Hansard of March 23 at page 1812:

I rise to a question of privilege. Last night, at the conclusion of the speech of the hon. member for Labelle (Mr. Bourassa), I rose to call the attention of the House to a certain statement that had been made with reference to myself earlier in the day by the hon. member for Winnipeg North Centre (Mr. Woodsworth), in which he misquoted a speech which I had delivered in Toronto. The hon. member referred to certain remarks of mine as rightly quoted by the hon. the Solicitor General (Mr. Cannon) at page 67 of Hansard of the present session, and further put into my mouth these words:

Had we had autonomy we should not have entered the war.

The suggestion is there that I misquoted his speech, and that I put words into the mouth of the hon. member for Toronto Northwest (Mr. Church). In looking over my speech of that day, I notice that this is what I said:

I refer the House to page 67 of Hansard, where the member for Toronto Northwest (Mr. Church) in a speech criticising his leader's new war policy is reported to have said: "Had we had this autonomy in 1914 Canada would not have been represented in the Great war. There would have been no 60,000 soldiers in France from Toronto."

Now I turn to the passage quoted from page 67 of Hansard, and I read:

All autonomy did for the Liberal party was to send it to the political graveyard. Had we had this autonomy in 1914 Canada would not have been represented in the Great war. There would have been no 60,000 soldiers in France from Toronto.

I think, Mr. Speaker, that the members themselves by looking up Hansard can decide that I did not misquote Hansard, nor did I put words in the mouth of the hon. member.

ADVANCES TO SETTLERS ON CROWN LANDS

Hon. CHARLES STEWART (Acting Minister of Immigration and Colonization) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to bring in a measure to authorize advances to settlers on crown lands, and to provide,—

1.That for purposes connected with settlement, the minister may make loans to settlers on the basis of improvement of land and farm buildings erected—(a) to a settler who is a Canadian citizen as that term is defined in the Immigration Act, an amount not exceeding $1,000, (b) to a settler other than a Canadian citizen an amount not exceeding $500.

2. That settlement loans under the proposed legislation shall not exceed the sum of $5,000,000 in any fiscal year, and shall be paid out of unappropriated moneys in the consolidated revenue fund.

3. That Settlement Loan committees may be established anywhere in Canada to report upon and recommend to the minister the suitability of a settler, and of any parcel of crown land, and to advise the minister as to the amount of loan to be made and how it should be expended, and such committee shall consist of not less than two nor more than three persons in the employ of the Dominion government or of any provincial government, such persons to be nominated by the minister, one of whom shall be the Dominion lands agent or the provincial crown lands agent, as the case may be, for the district in which the settler is located, and no salary or remuneration additional to that which he otherwise receives shall be paid to members of such committee.

4. That no settlement loan shall be made unless recommended by a Settlement Loan committee, and unless approved by the minister, nor until the applicant has been recommended by a committee as a suitable settler and the land as suitable for settlement for agricultural purposes, and all settlement loans shall be expended under the direction of the minister.

5. That no settlement loan shall be made upon the security of improvements upon any provincial crown land, unless the province by appropriate legislation, has provided that the improvements upon the security of which any such loan is made shall be subject to a first charge for the amount of such loan with interest, and that no patent shall be issued for the said land until such loan with interest is repaid in full.

6. That the payment of principal shall be made in annual instalments extending over a period of not more than ten years from the date the settlement loan is made, the first payment to become due and payable two years from the date of the settlement loan, provided that the settler may at any time repay the whole of the settlement loan with interest to date of payment, and all loans shall bear interest at the rate of five per cent per annum, payable on the respective dates upon which instalments of principal fall due.

7. That when a settlement loan has been made upon the security of improvements upon Dominion crown lands, the patent shall not issue until the loan and all interest charges thereon have been paid in full.

8. That if a provincial government, not having suitable crown lands available, acquires by purchase suitable lands for settlement under the provisions of this legislation, the minister may pay to a provincial government a sum not exceeding one-half of the interest on the purchase price of such lands, reckoned at five per centum per annum, for a period not exceeding two years from the date of settlement.

9. That the Governor in Council may, on the recommendation of the minister, make regulations to carry out these provisions, and the minister shall make an annual report to parliament of all operations under the proposed legislation.

Mr. SPEAKER: Is it the pleasure of the House to adopt the motion? Carried.

Mr. MEIGHEN: Mr. Speaker, I did not rise because I was expecting the minister to make some statement about this departure of policy.

Mr. STEWART (Edmonton): The bill is a new departure in the encouragement of immigration. In the old days, when we had a large influx of settlers to the lands of western Canada, there were lying adjacent to all

the railway lines lands that were known as homestead lands, and these were available to every individual who could qualify under the regulations. There is still a large quantity of land, though not of first-class quality, lying not so much in the southern portion of the prairie provinces, nor indeed in the southern portion of Ontario, but throughout all the provinces of Canada with the exception of the Maritime provinces there is a considerable area of crown lands, provincial crown lands and Dominion crown lands, lying within a radius of fifteen miles of existing railway lines. These lands, of course, are not as desirable as the lands taken up in former days by applicants who were desirous of settling upon them and developing farms in the various provinces, but particularly in the western provinces. For various reasons these crown lands are still available, and one of the problems that the Immigration department have to face is the fact that if open lands, and there are still open lands available in western Canada, are to be procured by the newcomers or by those who under the regulations can homestead our crown lands, they would have to go a very considerable distance back from the present railway facilities, which would involve on the part of the provinces the construction of roads and of schools, and so far as the federal government is concerned, it invariably involves the building of new railway lines. I think most members of the House will agree with me that what we ought to try to do is to consolidate our settlement along the existing lines of railway which have been built and are now in operation, and which have already been financed. In all the three prairie provinces these lands are very largely covered, if not with timber, with a very heavy growth of underbrush, and are somewhat difficult to bring under cultivation without entailing a considerable amount of labour. That was the thought in my mind when I recommended to the government the adoption of this policy for the settlement of crown lands. In most of those settlements to-day, while perhaps there are not schoolhouses, there are to some extent facilities by way of roads, because the idea is not to locate the settler beyond a point from which he can travel to his nearest railway centre, nor to involve expenditure by the provincial governments or by the federal government for improvements necessary to open up entirely new areas. That is the object that was in my mind when I recommended to the government this policy of assistance to the settler going on these new lands.

Perhaps the House will be surprised to know that we have in Manitoba almost three million acres of land still available for settlement coming within the category I have mentioned. In Saskatchewan well over one million acres, and in Alberta well over six million acres; so there is a very considerable amount of crown lands available for settlement lying contiguous to the railway lines already in existence and in operation. Now, these are not all first class lands, no one would make that claim. In the case of a considerable proportion they are, perhaps lands not desirable for settlement. But in the case of the three prairie provinces, there is a very large area of lands very suitable for agriculture lying within the fifteen mile limit. In the old days of homesteading in the west, when millions of dollars were being poured into the country by the various railway companies for the construction of new lines of railway, there was a certain popular form of obtaining sufficient money to carry the settler along. I think I am safe in making the statement that in 95 per cent of the cases the homesteaders who went upon the land were men without means, men who undertook to live upon those lands for six months in the year doing what they could and spending the remaining six months in earning what was called in those days a grubstake to carry them over the next period. As I say, employment was easy to be had. Vast sums of money were being expended throughout the west at that time particularly in railway building and also in the construction of buildings and the opening up of new towns. Therefore no difficulty was experienced at that time in obtaining employment. To-day the man who goes upon a homestead may find temporary employment in assisting with the harvesting operations in the older settled areas, or in working for a farmer who is already established. But that class of employment can only be obtained in the summer season when the settler can be most advantageously employed in improving his own holding. In endeavouring to find a solution for this problem we thought we could hold out hope of assistance to the individual who would settle upon the land; that as he improved his holding, as he progressed in the construction of his buildings, in the erection of his little home —it might be of log construction and very likely it will; many of us who went out on the prairies first were content with sod construction because we were unable to buy lumber for the building of our home—the new settler would be able by making application to the board to secure an allowance to be applied to the cost, materials and construction. This will enable him to provide for the neces-

sities of life and if he is fortunately situated, he can devote some portion of the advance to the purchase of machinery. As he improves his land and buildings further advances will be made to him up to a maximum of $1,000. The idea is to prevent people who desire to own land from locating in the extreme areas of settlement instead of near the railway, and to give them the assistance they will need in the pioneer years when they are endeavouring to establish homes for themselves. It will be a tremendous advantage to the settlers themselves to have this consolidation of settlement along the railway line.

The committee will notice that some difference is being made between Canadians and people who come from countries outside of Canada. For some considerable time past there has been an agitation to bring people from the urban centres of the Dominion back to the land. It is an undeniable fact that a great many desirable agriculturists have left our farm lands and migrated into towns and cities. The best evidence of that is to be found in the statistical information in our possession, which shows that to-day, perhaps, more than 50 per cent of our people are residing in urban centres, notwithstanding the fact that Canada is an agricultural country. I am not so well informed as to the conditions in eastern Canada, but I do know that in the west a great many of our people who are now residing in the cities would be glad of an opportunity to go back to the land and try to establish themselves again in agricultural pursuits rather than remain as wage-earners in the city.

Mr. EDWARDS (Frontenac): Does not this apply principally to the prairie provinces?

Mr. STEWART (Edmonton): Principally but not altogether. I will explain later how it applies to the older provinces. There are many cases of young men, sons of farmers, who are desirous of going out and establishing homes for themselves. A loan to them at 5 per cent will assist them very materially in obtaining a grant of land by way of homesteading, improving that land and making homes for themselves. So, the Canadian government proposes to make a loan to a maximum of $1,000 to citizens of the character I have described.

To those who come to Canada as immigrants the proposal is to lend them $500, not the full $1,000 to assist them in establishing themselves upon the land.

Mr. BENNETT: How long after they arrive in Canada?

[Mr. C. A. Stewart.]

Mr. STEWART (Edmonton): Of necessity they would have to establish themselves before they could make application for the loan. If they did that during the first year they could make the application then; but the act provides that they must be upon a homestead within fifteen miles of an existing railway, and there must be evidence on their part that they have made improvements. It was felt that some difference should be made between those who come to us as immigrants and our own people. For that reason we do not propose to make as great a loan to the former class as to our own citizens. I think it can be said that in the case of these immigrants the conditions they have left are not as favourable as those they will encounter in Canada, and therefore they will be able to get along with a lesser amount than our own citizens. I am able to speak from personal knowledge of the adaptability of many of those who come from outside countries. I know that in my own province of Alberta one of the most prosperous settlements to-day is the Ukrainian settlement established around the town of Vegreville. Those people when they first came in brought everything they owned in a sack; and I am sure the members for Edmonton and the surrounding districts will bear me out when I say that there are in the Dominion no finer farms and none with more up-to-date equipment than in that particular district after eighteen or twenty years of settlement by the Ukrainians. And that has been done by our Scandinavian settlers and many people who have come from countries foreign to Canada and taken up their residence among them. We felt that some difference should be made, that we owed something to our own people in this respect, and that we should endeavour to be a little more generous to our own people than we would to those of foreign extraction who were coming to our country to establish themselves. In the case of the Britisher who comes here, of course our hope is that we will be able to interest the Overseas Settlement Board, and that they will make a loan to the British settler identical with that obtained by the Canadian. We are in joint operation with the British government on a good many schemes, more particularly that of the migration of 3,000 families to whom we are supplying land; the British government putting up in cash $1,500 for the establishment of those people upon our land, and that is working out very satisfactorily. We hope this year that we shall establish 1,200 British families in that way upon the soldier settlement land that we now are holding for this purpose.

Mr. EDWARDS (Frontenac): Am I correct in supposing that you will not advance a loan until you are thoroughly satisfied that the settler has an equity in the property to amply cover your guarantee or loan?

Mr. STEWART (Edmonton): Yes, that is why the provision is put in the bill, the idea being that, as these are crown lands, our advances will be first mortgages upon them, and that the improvements will be sufficient to warrant the advance, so that if there is an abandonment we will have sufficient improvements upon the land for the next applicant to repay us the advance made for the improvements thereon.

Mr. EDWARDS (Frontenac): If the government must be satisfied—and of course the minister says quite properly that they must be—that that settler has an equity in the land to amply guarantee the loan advanced, why could not the settler get that loan from the loan companies or banks or other sources on the same equity? That is your guarantee. Why could he not get it from others?

Mr. STEWART (Edmonton): There are two very valid reasons why it would be difficult for him to get it. One is that the land is the property of the crown, and no loan could be negotiated until the settler had title to the land, and he will not receive title for three years. The second is that he could not borrow money on the property at 5 per cent, which in my view, is the most valuable consideration in his favour. But if he were able to borrow, even if he had the title, he would pay 8 per cent for the loan.

Mr. BEAUBIEN: In reference to this scheme for the settlement of 3,000 families, does the government provide any cash for the settlers?

Mr. STEWART (Edmonton): No, we provide the land.

Mr. HANNESSON: If the loan is to be a first charge upon the land in question, and the patent not to issue till the loan is paid, how does the minister propose that the municipality in which these lands are situated shall raise the money to provide for schools, roads and drainage? You are going to increase the charges on the land for which the man will get his patent, and the municipalities will have to do the necessary financing to provide for the schools, the roads and the draining.

Mr. STEWART (Edmonton): There should be no difficulty.

Mr. HANNESSON: If the settler has a loan from the crown, the taxes are not a first charge. By this measure you are putting on a prior charge.

Mr. STEWART (Edmonton): I am quite sure you would not expect the crown to have priority on the issue of these loans. So far as taxation is concerned, I would have no objection to the taxes being made collectable, and the crown would have to suffer in a like degree with the mortgage companies, if they allow the loans to lapse and get into arrears. My hon. friend has in mind the provisions of the Soldier Settlement Act. That act will not apply in this case.

Mr. HANNESSON: One of the difficulties in the west, as my hon. friend knows, is with the municipalities which have a large quantity of unpatented land. They cannot sell those lands for arrears of taxes. They cannot borrow on the strength of their lien for taxes on the land, because if the patent does not issue they will never be able to collect at all. You are going to increase the handicap of the municipalities in the west by this provision. They have now great difficulty in collecting taxes.

Mr. STEWART (Edmonton): You are referring to the situation which exists in connection with the soldier settlement lands, because they have reverted to the crown. These lands are not taxable now. No one has gone on them at the present moment, and what my hon. friend is fearful of is that, because the crown is taking a mortgage, there will be no issue of patent, and therefore there would be some doubt as to the ability to collect the school and the municipal tax.

Mr. HANNESSON: As soon as the settler goes on the land he is subject to taxation. His interest in that land is subject to taxation, but there is difficulty in the collection of the tax. The moment the settler goes on, the municipality must raise money for schools, roads and drainage. I took the soldier settler matter up with the government some years ago—Sir James Lougheed was the minister at the time—and he gave an undertaking in regard to soldier settlement land. He gave us the assurance that as long as the soldier remained on the land the government would pay the taxes, but if they took the land back, then when it was resold, the arrears would be looked after. But in this case the minute the settler goes on the land he increases the burden on the municipality, but no responsibility is assumed by the government.

Mr. STEWART (Edmonton): I do not want to get into a controversy about this matter in regard to the crown paying taxes,

because I expect it will come up at a later date, but I think it should be borne in mind that it would be a very serious matter for the crown to have to agree to pay taxes on land held by the crown. While the settler is in occupation there will be no serious difficulty about the collection of taxes, so far as the soldier settler is concerned. As a matter of fact to-day, until the date of abandonment, the crown has protected the municipality in the school district, but at the moment of abandonment when the land reverts to the crown, it is then in a different category, and there are very serious difficulties about any suggestion of the crown being responsible for the payment of those taxes while it is strictly crown land, and naturally the same difficulty will apply here, because it would be general in its application. If you could confine it to any particular case it would not be so bad, but the breaking away in any particular instance would create what my hon. friends speak of so often as a precedent. I fear it would work very detrimentally to the crown, and I would much rather find some other way of solving the difficulty. My desire is to help the municipalities to increase settlement within their boundaries and so long as the settler is on the land they will have the same right to collect taxes that they would have under the Homestead Act as it stands to-day.

Mr. BROWN: These are lands that would be open for homesteading under ordinary circumstances?

Mr. STEWART (Edmonton): Yes.

Mr. BROWN: In that case the effect of the loan being made would not make any difference in regard to the collection of taxes?

Mr. HANNESSON: Yes it would, because it imposes a prior charge.

Mr. STEWART (Edmonton): I think we should get away from the idea that the loan will make any difference. It will not change the situation so far as the homestead is concerned because, so long as the settler is upon the land, the municipality and the school districts will expect to collect the taxes even if there is a loan in existence. If the land is abandoned by the settler and reverts to the crown, it is non-taxable to-day. The only difference would be for the period between the abandonment by one occupier and the occupation by his successor.

Mr. McGIBBON: How long would a man have to be on the land before he qualified for a loan?

Mr. STEWART (Edmonton): Until such time as he had provided the necessary improvements to warrant consideration of a loan.

Mr. McGIBBON: What is the settler going to do during that time?

Mr. STEWART (Edmonton): He will have to be in a position to make some improvements before he can obtain a loan. The idea is not to put the money into the hands of the settler and to say to him: You can go on and expend the money in any way you wish or even under instructions, but rather to lend him money after he has made progress in improvements or in building and there is justification for the issue of a proportionate amount of the loan.

Mr. McGIBBON: That is, the country is going to lend money on its own security.

Mr. STEWART (Edmonton): Certainly.

Mr. MILLAR: Is it necessary that there should be a certain margin of security before a loan is granted?

Mr. STEWART (Edmonton): There always is and should be a reasonable margin. The margin will probably not be a big one. A great deal will depend on the character of the settler and the initiative he shows in making progress on his homestead.

Mr. HANNESSON: Would it be possible to give this assistance under the Rural Credits bill?

Mr. STEWART (Edmonton): I think not. The Rural Credits bill is of an entirely different character. It is intended to deal with men who have patents for their land or, in other words, who are private owners.

Mr. BENNETT: And on security.

Mr. STEWART (Edmonton): Yes.

Mr. McGIBBON: What ground is there for giving one man land and then money to start in business in preference to a man going into any other trade or calling?

Mr. STEWART (Edmonton): If my hon. friend will look at the earnings of our railways, he will notice that years of surplus are always those when agriculturists have had good crops. More money is put into circulation when there is prosperity among agriculturists than in years of dearth. The idea in thickening up the agriculturist population along our railway lines is that this will help to lessen the deficits on our railways by creating more traffic, more business in the country. If that were not so, I would oppose a loan of any sort.

Mr. McGIBBON: May I remind the minister of Sir Henry Thornton's statement that the falling off in the earnings of the railways was due to the falling off in the manufactures of this country, and the return made to this House which I placed on Hansard a few weeks ago showed that wheat in the west was being carried at a loss by the railways?

Mr. STEWART (Edmonton): Being a westerner I would not like to admit that.

Mr. McGIBBON: Those were not my figures; they were the figures of the minister's own government.

Mr. STEWART (Edmonton): All I can say in reply to my hon. friend is that my observation goes to show that when you have, not particularly a big wheat crop, because that is confined very largely to western Canada, but a good agricultural crop throughout Canada, you have a year of great prosperity in the country. I think my hon. friend will not deny that statement. I am not denying for a moment the fact that industry plays a very important part in the matter. My hon. friend will realize, however, that boards of trade in all the important cities in Canada are crying out for more immigrants. Where do they want these immigrants to go? They want them to go on the land, and our difficulty is to find, in countries from which we recruit settlers, people with money to establish themselves. If we could secure from the Old Land and the continent people with means to establish themselves on the land, we would have no necessity for a bill to give assistance of this character. If we had former conditions in the way of employment on account of the expansion of the railways as we had in past years in western Canada, there would not be so much necessity for such a bill. But this is designed with the idea of settling up lands that are close to the railways and that have been passed over, I will admit frankly, for lands more desirable. The idea is to encourage people to go on those lands in order to thicken settlement under those conditions, to keep men working on the land and improving it until they get to the point where it will be self-supporting. I think there is a great necessity for assistance of this character wisely administered.

4 p.m.

I have sought to recommend in this bill that we do not set up any elaborate establishment. In the western provinces we choose the Dominion lands agent in the particular district in which these lands are located, assisted by the expert advice of our Soldier Settlement Board officials who have acquired a wide fund of information in regard to various localities in connection with the settlement of soldiers upon the land. These men will be a committee of three who will decide upon the character of the land upon which a loan is to be made and the standing of the settler, and they will protect the government in every way in connection with advancing money to these settlers. I have tried not to set up any elaborate machinery, but simply to create an organization that will assist the new-comer upon the land to a very reasonable degree in order to thicken settlement upon those crown lands that are available for settlement along the railway lines.

Mr. ARMSTRONG (Lambton): What assistance, if any, will this Immigration bill grant to the settler coming into Canada who is willing to settle in the old provinces? For instance, in Ontario there are tens of thousands of acres of farms that are available and that are offered for sale at practically the cost of the buildings, let alone the land itself. These farms are valuable for development purposes, and schools, roads and all the rest are provided. Has the minister not taken into consideration the fact that there is a possibility of an immigrant who has a reasonable amount of money being settled upon farms in the eastern provinces?

Mr. STEWART (Edmonton): There is in the bill a special provision that will apply particularly to the Maritime provinces which have no crown lands, but the bill does not purport to touch other than crown lands in the other provinces of Canada. In British Columbia, Ontario and Quebec, if the provincial governments are in agreement, the same provision will apply to crown lands. As regards Ontario, I have in my hand a bill almost similar in character to the one I am describing this afternoon whereby that province lends money up to $500. I have not the Quebec bill under my hand, but in it there is a provision, almost similar in character, under which loans are made in connection with settlement in the new land in the northern district along the Grand Trunk Pacific. I am not aware that in British Columbia they have loan provisions of this kind, but they have in the two older provinces. This bill, however, does not purport to touch the class of farms that my hon. friend has just mentioned; it deals only with lands owned and held by the crown whether federally or provincially. As regards provincial crown lands exactly the same provisions will prevail with

the single exception that the provincial officer in the latter case will be a member of the board. That is, the officer in charge of provincial crown lands will be substituted for the officer in charge of Dominion crown lands. The Soldier Settlement Board officials will perform the same service in the provinces and of course this will be done only by consent of the provinces if they wish to take advantage of the provisions of the bill.

Mr. HAY: I understood the minister to say that these regulations would apply only to crown lands. Now I see that under section 8 of the resolution if a provincial government has not any crown lands it has the right to purchase suitable land for settlement. Will the minister explain this apparent contradiction?

Mr. STEWART (Edmonton): I was just coming to that provision. It was designed primarily to meet the situation in the Maritime provinces. There I am told they have no crown lands available for settlement. In order to make the bill general in character and to avoid discrimination against any provinces without crown lands that wished to avail itself of the provisions of the bill, we have provided that under such circumstances a province may purchase suitable agricultural lands, and we will grant a certain amount of assistance, although it is true that this assistance is so meagre that it is hardly worth mentioning. If the provincial government wishes to put land into the hands of a new settler, we are prepared to make the necessary advance, of course always reserving priority of claim for repayment of our loan.

Mr. McGIBBON: Why is not this left to the provinces?

Mr. STEWART (Edmonton): It will be; but in all probability some of the provinces will not care to take advantage of this measure.

Mr. McGIBBON: But they will have to pay for it just the same.

Mr. STEWART (Edmonton): Not necessarily.

Mr. McGIBBON: If one province does not participate, and two or three others do, would not the whole obligation be on the Dominion?

Mr. STEWART (Edmonton): Only to the extent of the losses. I think after all my hon. friend will agree that land settlement is so important a factor that any small loss which might accrue would not seriously affect any province whether it participated or not.

Mr. McGIBBON: That would depend on the amount of the losses.

Mr. MacLAREN: Might I ask—

Mr. SPEAKER: I would suggest to members on both sides of the House that they withhold their questions until the resolution is in committee. I am quite aware that the questions are very pertinent and very important, but in committee stage both on the resolution and on the bill hon. members will have ample opportunity to put their questions.

Mr. STEWART (Edmonton): Mr. Speaker, I have almost concluded my remarks. I commend the resolution to the consideration of the House, for I think it will be of material assistance in settling lands that hitherto have not been made use of, and will thus consolidate settlement. Lest some member should object that there is plenty of good agricultural land awaiting settlement, I think I am safe in saying that it is scarcely the business of the federal government to undertake the settlement of such lands; but we did feel that some concession should be made to the Maritime provinces, whose governments are taking a very active interest in immigration and have signed agreements with us for the care and placement of the young boys that are being brought out from the Old Country. This is all to the good, for in all matters of immigration I should like to have the closest co-operation with the provincial governments through their local officials rather than attempt to do work by establishing federal officials in the various provinces. I think our efforts should be devoted largely to bringing out the right class of settlers and placing them in the hands of the provincial authorities, who, being conversant with the local situation, know where to place the newcomers to the best advantage and can give them sound advice. I am speaking now purely and simply of immigration for the settlement of our agricultural lands. We are bending all our energies to getting that class of settler, believing that later on there will be an opportunity for immigrants of the artisan class, although they are already coming in in fairly large numbers. This measure is designed solely for the purpose of advancing the necessary funds to help the settler to improve his holding until the day that it shall become self-supporting. I have no doubt a good deal of criticism can be offered against the proposal, but I do think it will materially help in settling lands that up to date have not been considered first-class for homesteading.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Mr. Speaker, I have no objection to this resolution going through committee. I really want to give the minister credit for the best of intentions in introducing it, but he will have to forgive me if I cannot get enthusiastic over this venture. It is one of those measures which are very likely to be fairly popular at the initiation stage, but which leave a long train of sad memories in their wake. Not only so, but after they are immediately in operation there is an evidence of good results—often an illusory evidence. The very expenditure of considerable sums of government money produces a certain exhilaration and things look fine, but after the night of intoxication there is usually an awakening of bitterness; and I fancy we are going to suffer such experience in relation to this bill.

I must admit, first of all, that my doubts are very much related to the experience of the country with respect to soldier settlement. As respects soldier settlement, the minister throughout his entire term of office has been exceedingly fair to the whole scheme; he has given it, I think, a fair trial under his administration. He will admit with me, that if it was possible to launch such a scheme on sound lines, to barricade it against the rapacious and protect the treasury, these precautions were all taken. But while all this is admitted we have to confess that first of all we did not succeed in preventing the inroads of the unscrupulous and the fraudulent. We can point to cases where, notwithstanding all our precautions, the fact that it was a government venture rendered it vulnerable, and at different points in the country we were imposed on right and left. This however was not the worst result. As time went on the unexpected developed, so that we find ourselves to-day under the necessity of entering upon a great new scheme of revaluation, a scheme which, on whatever principle in the world you put it, is bound to land the country in millions, yes, tens of millions of a loss. I know that is due practically altogether, or very largely, to the trend of land stock values in these later years. But to all the incidents to which the soldier settlement scheme was subject, to all the vicissitudes that harassed it, this new venture will also be exposed. It is going to be so exposed from day to day.

The minister says this is intended to help the settlement of rejected lands, those which have been passed up by the homesteaders. Well, perhaps it will for a time. But lands which the homesteader passed by when he could get them free, when all he had to do was to live on them for a time each year for three years, lands which under those conditions are shunned will not be settled to any great extent by artificial means. Are we going to be further ahead in three, five, ten years? Our money will be there, but the homesteader will be gone, mainly for the reason that land which is not now settled along railway lines is in the main not worth settling. I do not believe that you will get a successful settlement upon such land by holding out the golden coin as an inducement to men to take up homesteads.

We are told that we have to do this because the provinces will not undertake the work, and that it is necessary in order to stimulate immigration. We all want to stimulate immigration; everyone knows that we need to. Indeed, it has been stimulated pretty nearly to death ever since this government came into power. They started out with an immigration of 145,000, and it is now 85,000; and last year was the worst in many a long day. But are you going to stimulate immigration by offering rewards? I do not think that any country has ever yet found any similar scheme an incentive to permanent and successful immigration. I am not aware of any means of stimulating immigration except to provide work for the immigrant. The minister says that the only people whom the boards of trade want are men who will go on the land. It is a funny thing to me that everyone on earth wants to keep out competition except the farmer. We are all ready to give him all the competition possible and to give it to him at his own expense. Now, if I were a farmer I would want competition among people to whom I could sell my produce. And as I am a farmer that is what I want. The best way to get immigration is to bring about healthful industrial conditions. We will get that way immigration for the land just as well as for the town, and artificial stimulants are not going to conduce to anything like wholesome, continuous immigration.

The minister refers to the provinces. He says, "Well, it is true that we cannot be fair among them, because some of them have not crown lands and we cannot help those that have not. But in any case they will not lose anything except, perhaps, to the extent of bearing a share of the loss, which will be trifling." Are we sure that it will be trifling? The loss will be trifling if we go into the venture on a trifling scale; but if we undertake it on any substantial scale the loss will not be slight. I ask the minister to cast his

eye over western Canada, where he has been about the same time as I have been—not quite so long perhaps—and to assume that he had lent, say, $500—we will not put it at a thousand—to assist each man in establishing a homestead on fair land. How many of those $500 loans would he have lost? He would have lost a great proportion of them.

Mr. STEWART (Edmonton): I must disagree with my hon. friend. He has referred to the soldier settlement scheme, with the dissatisfaction and the losses that have accrued to it. I am bound to say that if the loans to the soldier settlers had been confined within more reasonable bounds the losses would not have been so great.

Mr. MEIGHEN: More reasonable bounds in what way?

Mr. STEWART (Edmonton): They were given loans up to $7,000 at the start, and that is not being done to-day. The large percentage of the loss is due to the fact that we loaned far too much money. I believe that if any man in western Canada who had a reasonably decent homestead, not even a first class one, had been loaned $500 at that time, either he would have repaid it or the land to-day would be worth the money.

Mr. MEIGHEN: The minister knows that abandoned homesteads in western Canada are legion, and so far as those which are not abandoned are concerned the men who were originally on them are very often not there to-day. Very few of them are. The minister says that we lost on soldier settlement because we loaned too much money. Well, we loaned only sufficient to get the men on the land. We had to lend too much for the simple reason that it took too much to get the land and stock. Now we are going to settle rejected homesteads, and homesteads on crown lands in those provinces where there are such lands, but the minister cannot put the scheme on a basis which will be fair among the provinces. I do not want to arouse sectional prejudice at all, but it does seem to me that it is absurd for the minister to contend that this is possible. There is no way of doing it. Take Ontario, for example: that province to-day has a scheme for advancing money for these very purposes, and they can supervise the whole thing much more easily than we can. The land is theirs and they can take care of it. And they too, I venture to say, will have a loss. Quebec has a corresponding scheme. Nova Scotia has not, because it has no crown lands, nor has New Brunswick. Now to the losses that will accrue in respect of those provinces which have, these others will have to contribute, and there is no way of compensating them. The minister in the second last clause of the resolution has a scheme whereby he can give to Nova Scotia, or New Brunswick a half interest for two years on the purchase price of lands. He rightly describes this as meagre, I think he said trivial. Well, it is trivial. It does not hold out the slightest inducement, for not a province will buy on that basis. Imagine a province buying a piece of land privately owned, paying its value, and then turning it over to a settler. The settler borrows from this government and this government takes a first mortgage, giving the province a second mortgage for the purchase price of the land, and the inducement that gets the provinces to do thus is that the minister offers them the interest for one year. It is laughable. Never would a province venture upon the plan on such a basis. Therefore, you do expose those provinces which cannot come into the scheme to the necessity of subscribing towards it, bearing their share of the loan, in the first place, of the administration, in the second place, and of the ultimate loss, in the third. I warn the minister there will be a large cost of administration of this plan. I do not think he has devised it on a political basis, and I do not know that I can suggest at the moment anything very radical in the method of recommendation of the lands and of the loans, but I warn him that the cost of administration proportionate to the results will be very, very large. He will have to have a system of inspection, not only of the farms, in the first place, but of the farming, in the second place; he will have to have a system of supervision; he will have to have a staff here of a very considerable number to conduct all the correspondence with the municipalities and the like, and as the whole scheme develops, the top will increase in weight even after the base commences to diminish.

Mr. STEWART (Edmonton): If my hon. friend will permit me, I do not see any reason for being alarmed about the administration cost, because we already have a thoroughly trained organization in the field, the soldier settlement organization, and that is the organization I purpose using.

Mr. MEIGHEN: That is true, but the minister is going to add to the volume of work to be taken care of by that organization, and therefore add to the expense. But I must venture to intimate that the larger end of the loss, which will have to be shared by all

alike, will be the loss in the ultimate, and that loss is just as certain as night to follow day. I press upon the minister to reconsider this matter. I do not like to stand in the way of anything of this sort, because those who will think they will be helped will be for the most part poor people, but I do venture to suggest to the minister that we are launched on just about enough loaning schemes now. We have the future of this country mortgaged just about heavily enough. It is the future we are mortgaging now, far more than the present, and more so in other concurrent legislation even than in this.

The province of Manitoba got into this, not quite on the same basis and with not quite the same class of land, more in connection with improved farm lands, but the experience of Manitoba has been one of remorse and regret. I do not think anybody would suggest that their loaning scheme has been a success, and if a provincial government, with a fairly compact province under its eye cannot make a success of it, how are we going to make a success of this scheme with its tentacles strung right from Halifax on the one shore to Vancouver on the other.

Mr. BEAUBIEN: Is it not a fact that the farm loan scheme of Manitoba shows a profit every year?

Mr. MEIGHEN: No, it is not so; not at all. I have talked with men who have had to do with it—

Mr. BEAUBIEN: I have had to do with it myself; I have a mortgage with them, and I know they show a profit every year.

Mr. MEIGHEN: The hon. gentleman may have profited, but the province has not profited, and I fancy that will be the case here, that those who get the loans will be the chief beneficiaries, and I doubt if they will be any very great beneficiaries either. What I think is this: It is not hard now for a man who knows how to farm to get some land to farm. Lands are down in value, they are plentiful, they are easily secured. Why, I know in our district, and it is a good district, you can buy very much on a shoestring, and if you have the goods in your own person in the way of energy you can go ahead and make a farmer of yourself.

Mr. STEWART (Edmonton): It is all right buying on a shoestring, but that does not get rid of the obligation or pay the interest charges. The obligations pile up until the man is smothered.

Mr. MEIGHEN: How do you get rid of them here? In the one case you can buy from the private owner at a low rate of interest; here you are paying the government a low rate of interest; that is all. The difference is this: In the one case the man knows he owes the money to a private owner, and knows he has to make good; in the other case, he owes the money to the government, and does not feel he has to make good.

Mr. STEWART (Edmonton): I would not agree with that.

Mr. MEIGHEN: Long experience has taught us that it is correct. It may be—I do not know—that there are certain obligations the minister has entered into in good faith which make this scheme necessary as a complement to his immigration policy. If such is the case, it would be some measure of justification, but with the tremendous load which is on our backs now, and which is to become greater and greater if this other resolution regarding the revaluation of soldier lands goes through, as well as others, with all these obligations I fancy that we are hardly doing justice to the general interests of this country to place upon the shoulders of the taxpayer still another burden.

Mr. JOHN MILLAR (Qu'Appelle): In making comparison between this scheme and the soldier settlement scheme, the leader of the opposition touched very lightly on one great difference. It is a difference which I think should receive a great deal of consideration at the present time. At the time the land and equipment was purchased for the soldiers going on the land, prices were at the peak. I will give just one instance. A farm that I know quite well for which the purchaser refused $60 per acre, was sold in two or three years afterwards on very, very easy terms at $29 per acre. In those years when the soldiers were going on the land the prices for land and equipment were at the peak, but the prices obtainable for the products of the farm, for the wheat, the oats, the cattle and everything the soldier produced were low. The peak prices were the prices he had to pay for his land and his stock. I think it is no exaggeration to say that horses which were purchased for the soldiers at a price of say, $200, in the course of three or four years' time were worth not more than $50. I do not give those as the exact prices, but that is about the proportion. In a conversation I had with the right hon. leader of the opposition (Mr. Meighen) a few nights ago, I pointed to one settlement where some fifty-two farms were taken up and appraised by a very efficient appraiser, a mutual friend, and I believe that of the fifty-two, fifty-one suc-

ceeded under the very adverse conditions I have mentioned—buying land, stock and equipment at peak prices and receiving for the products of the farm low prices. The prices of the chattels purchased had dropped 50 per cent in many cases. An hon. member behind me says 150 per cent. At all events they have dropped 50 per cent and more in some cases.

I believe the greatest danger to this scheme lies in the appraising of the land. Some very peculiar things took place under the soldier settlement scheme. I am not sure that all of them ever came to the attention of the board, but I know of one that worked out like this. A piece of land that was nothing but a sand bank, not worth in my estimation more than $10 an acre at the most, and I would call that price high, was appraised at $30 an acre and sold at that price. But that was not all. The owner of that land, I believe —I have not positive proof, but I have sufficient to cause me to believe it is an actual fact—made a quiet bargain with the three returned men who were going to take three quarters of the section, that if they could persuade the board to purchase at $30 an acre he would make them a gift of the other quarter. The deal went through. However, the three returned men found out although they got the quarter for nothing, that having purchased the three quarters at $30 an acre after the deflation took place, they had made a very bad deal indeed. I have not the slightest hesitation in believing that the gentleman who made the appraisement of those lands was not absolutely honest. I cannot think that any man who possessed the experience the man in question is said to have had honestly appraised that land at $30 per acre. In discussing this matter with certain officials they advanced the excuse that the scheme at that time was an entirely new one, that they had to pick out new men, that they were up against a difficulty and in some cases secured men highly recommended only to discover that they were very poor appraisers. As the minister has pointed out, there is machinery that will be available under the new scheme, and I have no doubt that those responsible for its operation will profit from the mistakes made in the past.

Another point to which I wish to allude before taking my seat is this. The right hon. leader of the opposition stated that he believed that homesteads that have been passed over are hardly worth taking up, and that it is just a question whether it would be wise to insist upon settlement going on to these homesteads. If it were a case of the open prairie that statement might be true, but some of the lands on which it is proposed to settle these newcomers are potentially valuable. Where the land is good it will make excellent and valuable farms. In the case of lands covered with scrub sometimes the timber will be large enough to possess some commercial value but for the most part it is useless. Once that timber is removed, however, the lands will be found to be valuable. I am inclined to think that if the appraisement is surrounded with proper safeguards the present scheme will have undoubted value in connection with the settling of some of these lands.

Mr. MEIGHEN: How are you going to appraise lands that nobody will take now for nothing? Is not that the very land that is to be used?

Mr. MILLAR: I think it may be easily understood that land that many settlers might not take now for nothing, especially when they have to clear it without assistance, would be acceptable to them if they were going to receive an advance of money to enable them to make a start. It is true the amount is not very large but it is an encouragement to them to take the land and improve it.

Mr. MEIGHEN: That may be. They may take the land and may get money to help them to carry on, but that does not affect the question of the appraisement of the land as it stands. How can you appraise land that nobody will take as it stands?

Mr. A. L. BEAUBIEN (Provencher): I should not like the remarks of the right hon. leader of the opposition in regard to the Manitoba farm loan scheme to pass without a comment or two. I do not think the right hon. gentleman wants to do an injury to any organization; I think he has confused the farm loan scheme with that of rural credits. There is no doubt that the rural credit societies of Manitoba have experienced losses but the loans in such cases were made on the operations of the farmer. The scheme of farm loans in Manitoba has been a success. It has not only proved profitable but it has been successful in keeping down the rate of interest. In the case of these loans the Manitoba farmer is getting money at the rate of 7 per cent, plus 1 per cent for amortization extending over a period of 30 years. This means an interest rate of 8 per cent. On the other hand you will find a great many farmers to-day paying a rate of interest as high as 8½ and 8¾. and in some cases 9 per cent, not only in Manitoba but in the provinces farther west. So that I think that the farm loan scheme in

Manitoba even if it has not made large profits has certainly helped the situation as far as loans on farm lands are concerned.

I do not know how the scheme before the committee will work out, but I have this in mind; in a good many parts of western Canada—and for this I think the lack of proper colonization schemes is to blame—we have allowed a settler to locate here, and another there, and so on; they are scattered over quite a lot of territory. Then we have crown land adjacent to the settlers that are there to-day. But their numbers are too small to support schools, to build roads, and to carry out other improvements. If the present scheme can be properly worked out the settlers in question, few in number and virtually exiled, will receive a considerable augmentation of settlement and it will be possible to creat a community life which is largely absent to-day. If the scheme has this result it will be a good thing.

Another point to which I wish to allude is that this is the first time to my knowledge that we have given Canadian citizens a certain benefit under our immigration policy. We know of lots of men who have left the farm because of circumstances over which they had no control. They are at present in the city engaged in a desperate effort to make both ends meet. Now, if we could settle these people upon crown lands and advance them a sum of money to help them to carry out certain improvements they might be induced to return to the land and establish homes for themselves which would be a decided benefit to Canada. The hon. member for Muskoka-Ontario (Mr. McGibbon) asked the question "Why not give those in all other walks of life the same advantages?" As a matter of fact we know that if the agricultural industry in Canada is prosperous all other industries will prosper likewise. Agriculture is a primary industry and everybody knows that if we have a prosperous agricultural community the rest of Canada is prosperous also. Suppose one had entered a manufacturing establishment two or three years ago, and had asked the manager why depression existed, his answer, if he were not intoxicated with the principle of protection, would be that it was due to the lack of purchasing power on the part of the Canadian people. He would say that was the reason why our industries were not prosperous. I have asked that question of dozens and dozens of manufacturers in the province of Ontario and they too gave me the same answer. While settlement was going on in western Canada, while the construction of railroads was in progress, and immigrants were coming in great volume to this country, we never heard the manufacturer complain about the lack of business. But depression came and hit the agriculturist first. Then, two or three years afterwards, the manufacturer began to feel the pinch. This experience may do our manufacturers a lot of good and render them more efficient.

Mr. PETER McGIBBON (Muskoka-Ontario): I desire to occupy the attention of the committee for a moment or two on this question. I am opposed to the principle of the resolution because I am opposed to parliament eternally spoon-feeding the people. I do not think we can ever develop a self-respecting and self-reliant race as long as we continue to follow methods of this kind. Neither do I think that in this good Dominion of Canada such a scheme is necessary. I remember reading a debate in this House some time ago when the then member for Springfield (Mr. Hoey) said that he knew a gentleman, presumably himself, who came to this country as a stowaway or something of that character. He had grown, if not immensely wealthy, at least very well off, and ended up by being a representative of the people in this parliament. That is the class of people we want in Canada, self-reliant people who can make good if given the opportunity, and I might say that he is no exception. There are hundreds and thousands and tens of thousands of such people in the country. Neither do I think that this proposition is a fair one to the dominion or to the province. As my right hon. leader has pointed out, you cannot make it fair to the provinces. I do not think it is going to be fair to the settler. I think you could not put a settler under a greater handicap than to put him where he could not grow a first-class crop. Of necessity his income and earning power is going to be greatly reduced from the fact that he is on inferior land. Why then should this country go into a proposition of this kind, loan money on our own property, or give away property which is inferior and ask a man to go on it?

Mr. STEWART (Edmonton): May I correct my hon. friend. He seems to be under the impression that the loans will be made on inferior land. That is not the proposition at all. A great deal of this land now under timber and brush is first-class agricultural land, the very best land we have in western Canada. I speak with some knowledge. I am sure when my hon. friend goes

into northern Ontario he will have the same thing to say about the clay belt there. There is no better land than the clay belt in that district. Of course it is considerably to the north, but bear in mind the trouble is not the quality of the land, it is the difficulty in acquiring the land, to get it under cultivation.

Mr. McGIBBON: I was taking the minister's own word. He gave me to understand this was inferior land that had been passed over when settlers were going there.

Mr. STEWART (Edmonton): On account of the brush.

Mr. McGIBBON: On account of the difficulty in clearing. I think it would be of infinitely more importance to Canada if this government would get busy and so shape its policy that the people of the country could get something to do, and get some money for doing the work rather than simply loaning money on propositions which they admit are fraught with great difficulty and loss. The proposition is unsound and unfair from the dominion standpoint, from the provincial standpoint, and unfair from the standpoint of the settler. I want to voice my objection again to the eternal propositions coming before this House and country for the spoon-feeding of the people. We will never get into this country good self-reliant people so long as they have to rely on the government to be spoon-fed. This class of people will never make a living.

Mr. McPHEE: Would the hon. member apply that to manufacturing as well?

Mr. McGIBBON: I desire to tell the hon. gentleman and this House—and I have stated it in parliament before—that there is no more justification for giving assistance to men going on the land than there is for giving assistance to men who are going into a manufacturing industry, and when we are going into propositions of this kind we are showing favours to different classes of people in the country, which we have not the right to do.

Mr. M. N. CAMPBELL (Mackenzie): I see very little difference between giving a bonus to a man going on the land and giving a bonus to a manufacturer by protection, the latter being spoon-fed to the limit. I heartily endorse what the minister said with regard to the necessity of consolidating settlement, but I do not entirely agree with his plan for crarying it out. I think one of our troubles in western Canada has been caused by spreading settlement out too much. We surveyed land far beyond the reach of the ordinary settler. The moment land is surveyed and thrown open for settlement, it is a direct invitation for people to go in and occupy it. The settler is in a postion, after he has located on land a long way from the railway, to demand of the government railway facilities, and the government is under a moral obligation to provide him with those facilities when he goes in there, after the land has been thrown open for settlement. If we survey land too far out for settlement, men go in there and locate, start to build homes, clear up the brush, drain sloughs, organize municipalities, a large amount of money is spent on roads, schools being necessary, debentures are issued—against what? The most of the land is unpatented. After a few years, in many of the frontier settlements, a great number of these people, I think on an average in the bush districts probably 50 per cent of them, move out. You see the position in which that leaves the other 50 per cent. Their taxation is automatically doubled. There is continual pressure brought to bear on the provincial authorities—and I think the Minister of Agriculture and the Minister of Railways will bear me out in this—for improvement and for roads. The municipalities are burdened with the same thing, and instead of settling a problem you have created a new one. To my mind that is just what this legislation is going to do. It is not going to settle the problem that the minister has in mind, but he will create a new problem. I think I can speak with authority on this matter, because in my constituency we have about one hundred and twenty-five miles of a frontier on the bush land. There were large settlements there, but hundreds of these settlers have left and given up their farms. I am safe in saying that there are scores of homesteads which after being proved up, have reverted to the municipalities for taxes. Those homesteads have been improved and men have spent the best part of their lives there. Money has been spent on roads and money has been spent for schools, and in one district I know there are two schools idle to-day, not being used, but the debentures are still held against the land. The settlers are still striving to make a living. When you go out to the frontier settlement, between the old settlement and the railway, you pass miles and miles of good agricultural land not occupied and some of that is partly improved. My hon. friend asks, why? There are various reasons why. Agriculture out there has not been prosperous. Farmers have been evicted. Their mortgages have been foreclosed. Others

have gone voluntarily. Conditions are improving now, no doubt about that. In other cases, farmers bought more land than they could handle. When they found they could not handle it they had to give up some of it. I say to the minister that if he wants to accomplish the object he has in view he should endeavour to consolidate our settlement and converge on the existing settlements where educational, transportation and other facilities are already provided. In that way he might accomplish something. He could use money to assist settlement on lands privately owned. He may say that that is a provincial issue. I say that it is not a provincial issue entirely. Colonization is a federal issue and not a provincial issue. As the hon. leader of the opposition has said, these lands are available for purchase to-day at very low prices, lower than we have seen in western Canada for many years. The conditions out there are improving to a considerable extent. I believe that if many of these men could get assistance to locate on this class of land to-day they could make good.

Instead of opening up new lands where we have to build new roads, new schools, and to provide all the municipal machinery and so put further burdens on provincial and dominion authorities, let us use the facilities that we have. One of the problems of our railways and of our private business to-day is the overhead. Any business man knows that if he can double, triple or quadruple his turnover, he can reduce his overhead. By thickening up our settlement, by filling up those lands privately owned which are adjacent to our present transportation facilities, we can as a nation substantially reduce our overhead. We do not need to go outside of this country to get many desirable settlers for this class of land. The minister has referred to the "back to the land" movement from the cities. I know I can go to small towns in western Canada and to our cities in the east and in the west and I can get thousands of men, many of whom have had considerable agricultural experience, to go out on the land. They will not go fifteen or twenty miles into the bush; they are too shrewd to go there; but if you give them a little assistance to buy good privately owned land adjacent to the towns, they will go there and tens of thousands of them can make good.

That will help to solve the problem of unemployment which at present exists in the cities. It will assist us in our taxation problems in the country, and that is a terrible problem in some of our districts where many men have been thrown out of or have abandoned their farms. It will assist in solving another problem. As I have said, one of our problems is that many of our farmers have too much land, perhaps on account of being over-speculative at a particular period when the government at Ottawa as well as private business concerns were demanding greater production. The farmer was pleaded with and preached at to produce, and produce, and produce. That was the proper thing to do at the time and there was a time when it was a profitable thing to do because, during the latter years of the war and indeed two years after the war, mass production was the proper kind of production for the farmer. He could use engines instead of horses and in that way cultivate a large area much more cheaply than a small one. But those conditions do not obtain to-day. The price of engine fuel is just as high now as it was then. The price of horse feed has gone away down; it is not more than perhaps 25 to 30 per cent of what it was in the years to which I refer, and the farmer finds now that he must go back to the use of horses almost exclusively in the cultivation of his land. That means that he cannot cultivate on a large scale; that he must get down to a matter of more intensive cultivation. Many of those farmers who purchased more land than they could handle are in a position where they are liable to lose everything they possess. A man may have a joint mortgage against his land, whether it is a section or two sections as the case may be. If he can sell two or three quarter sections to new settlers under some scheme, the government might very well take hold of it. This would take a tremendous burden off his shoulders, thicken up settlement, bring in more men to pay taxes and help to clear bush on this class of land because there will probably be only sixty, seventy or eighty acres cleared on a quarter section. It will be better to get settlers on such land who will clear the balance of the quarter sections, rather than to send men out fifteen, twenty, twenty-five miles into the bush to clear new land away from settlement altogether.

At one place in my constituency we have what was at one time a very large settlement, forty miles from a railway. The men there were brought in by the Soldier Settlement Board. The land is the finest class of land you will find in western Canada, an ideal place, but there is no railway and the inevitable has happened. Some of these men have cleared up as much as 100 acres on a quarter and after doing so have walked out and left it. We do not want any more of that and

I would earnestly plead with the minister to use the same legislation, because it has some merits, but in a different way. If you assist a man to be relocated on privately owned land, you have the same opporunity to get first security on it as you have in connection with your homestead fifteen, eighteen or twenty miles from a railway on the edge of a forest reserve. Where is your security in connection with that? The farmer who owns the land—or whether it is a speculator or business man or bank or mortgage company it makes no difference—in many cases would permit the government to take a first mortgage and put his own equity on as a second mortgage. It would be of considerable assistance to the settler to have a first mortgage of $1,000, let us say, at a low rate of interest and spread over a long period of years, and many men under some such plan as that could be induced to go on the land whereas under this plan those who went on the land would be almost sure to fail.

Mr. BEAUBIEN: How would the hon. member give the federal government priority over everybody else on privately owned land?

Mr. CAMPBELL: Supposing these is a mortgage of $3,000 against a quarter section of land and a settler wants to buy it. The man who has the $3,000 mortgage would be only too glad to accept the $1,000 as a cash payment, give the federal government security for that, and take a second mortgage for the $2,000.

Mr. BEAUBIEN: And give the government priority?

Mr. CAMPBELL: Yes.

Hon. R. B. BENNETT (West Calgary): Mr. Speaker, post-mortems are not valuable except in so far as we gather therefrom some knowledge that is useful at the present or in the future. I am not very much concerned about our experience in connection with soldier settlement, for instance, or the advances we made to farmers who were in the drouth-stricken areas of Alberta, or other advances, except in so far as they induce me to believe that no government assistance as such has thus far been successful in western Canada. I regret to say that in Manitoba to which the hon. member for Provencher (Mr. Beaubien) referred a moment ago, I think he will find that not only did the government lose money on the rural credits, but they also lost money, as reported by their own officers, in advances they made on farm lands as such. In Saskatchewan, where the administration was in the hands of an old loan company officer, their experience has been very much more satisfactory. Even in the land banks of the United States that have been in existence only a short time, there have been substantial losses during the last few years, and recently the government imposed upon those banks the necessity of setting up a reserve with respect to all property which they now hold under foreclosure.

The question that we are considering is whether or not this country shall put into unpatented or undeeded property $5,000,000 per annum at a rate of interest of 5 per cent per annum, repayable in ten years, the first payment to commence at the expiration of the second year. To that question baldly put in that way, I should think the answer should be in the negative. If on the other hand you surround the proposal with sufficient safeguards, there are a number of deserving cases that come to the attention of most of us every week of our lives, either by correspondence or by personal interview, that warrant the government in doing something to intensify settlement that is so sparse especially in western Canada. I wholly agree with what has been said by the hon. member for Mackenzie (Mr. Campbell) as to the causes that have brought about present conditions in western Canada. Nothing struck me more in the early days than to observe people going far away from a railway and settling and then the clamour that commenced for railways. In addition to the factors that have been mentioned as bringing about the condition referred to, there is one other factor which I think the minister might well bear in mind, that is, that lands have been stricken by drouth. Areas were opened for settlement that should never have been homesteaded. Especially is that so in Alberta and in one corner of Saskatchewan.

Now, the Minister of the Interior has observed that there are six million acres of land in Alberta within fifteen miles of railways and available for homesteading. But as I read the agreement that is now before the House, those lands are to be transferred to the provincial government, in whom the title would then be vested. These lands have not been homesteaded, and the reasons are twofold. First, in the northern part of the province there is considerable timber and railways have been extended north and west by the Dunvegan line, north by the Waterways railway, and to Athabasca Landing by the Canadian National. Still those homesteads have not been settled within fifteen miles of the railways for the simple and obvious reason that no person desired to take up the land.

There has been homesteading in the Peace river territory, and we have had demands for railways from men who have settled in those remote sections. In the southern part of the province there are still some homesteads left, and there is still a considerable area in the central part of the province, but no one has attempted to homestead on those lands for the last twenty-five years. Only yesterday I received a communication with respect to a quarter section once homesteaded, and the reports are that no man can possibly go upon it and make even a pretence towards a living.

Under these circumstances is it fair or just or right that we should pledge the public credit with the hope that we will ever get back the money that we lend to the people who go upon those lands that for twenty-five years have been passed by by those who might have occupied them on payment of $15. Although patents to the land cannot be obtained in less than five years, we are told that we may be able to get back the money in eight years, commencing at the expiration of two years, with interest at 5 per cent per annum. Can we hope that at the end of the second year the homesteader may be able to pay interest on $1,000, that is, $50, plus one-eighth of the principal, which is $125. But in my judgment, having regard to what I have observed in the operation of loans of that character in that part of Canada, this would be nothing more nor less than an admission of failure before we commenced.

Now, it is said there are millions of acres of land available in Saskatchewan. I am perfectly certain that the ministers from Saskatchewan will bear me out that any land available for homesteading within fifteen miles of a railway in Saskatchewan does not belong to the class of land on which we expect people to make successful settlement. In Manitoba there are three million acres of vacant land. Why? Because you have the Hudson Bay railway extending into the northern part of that province, and the lands within fifteen miles of it have not been settled because they are not of the character that attracts settlers for any purpose other than ranching.

Then why should we do this at all? I think there are some reasons why we should. I have observed a very considerable number of people during my residence in western Canada who have the merit of a willingness to work—which is not common in some parts of Canada—and yet despite all they may do they have not been able to get even $500 of additional capital to enable them to start upon the pathway of success. Those people I think this country might well assist. I do not agree with my hon. friend from Muskoka (Mr. McGibbon) when he says we may rely upon the grim determination and the hardihood of settlers in these days to make homes for themselves in the wilderness, to succeed by their own unaided efforts or perish. Before the war that was true, but since settlement conditions have entirely changed, and we can no longer expect to attract people to this country and get them settled successfully under the same conditions as obtained before the war. With respect to that I am perfectly certain. The great success, if it was a success—I have my opinion as to that, but this is not the time or place to discuss it—with respect to settlement in western Canada was during those days when we were spending borrowed money on railways and paying interest on the borrowed money out of the money so borrowed, with the result that this country to-day is called upon to pay $30,000,000 per annum or even more for that costly experiment we engaged in at that time. Now my friend the minister knows, because he is aware of the conditions, that the very best settlement from the standpoint of getting results was settlement created at the time when men were able to find employment at certain periods of the year and then go up on their homesteads and utilize the money they had earned. What the country is demanding to-day is an opportunity for men to work; that is my observation; and if we can supply work of any kind for those who come into the Dominion, then advances of $500 or $1,000 would be absolutely secure; but if we merely intend to put people upon land within fifteen miles of a railway that has not been homesteaded for the last twenty-five years, and tell them as soon as they have a barbed wire fence around it and have put up a log or a sod hut they can come and get $500 or $1,000, that money is irretrievably and inevitably lost. I am satisfied of that. But if we can create conditions in this country, as I think we can if we only desire so to do, by which there would be some employment afforded to those who come here, especially having regard to the seasonal conditions that prevail, then those who have shown their desire to have a permanent stake in the country and have indicated by their earnings or savings to the extent I have mentioned that they desire to settle on land passed up by others, this country would be warranted in making some advances to them.

I fear very much that the minister will be not only disappointed with the working out

of this proposal, but I think it will afford one more reason for a raid being made upon the government. To that extent I agree with my friend from Muskoka, that every time we weaken the fibre of our people by inducing them to believe that the government must take the place that has been occupied in times past by the hardy manhood of the people themselves, to that extent we have done injury to the country. But if we assist where there is ambition, if we aid where there is aspiration, then we have done some good to the community.

Now, this resolution does not say that lands must be within fifteen miles of a railway.

Mr. STEWART (Edmonton): Oh yes.

Mr. BENNETT: I am told by those who have had to do with the handling of farm products that even fifteen miles in these days is too great a distance.

Mr. STEWART (Edmonton): That is the limit.

Mr. BENNETT: Well, the existing machinery that is to be utilized, of homestead inspectors, of crown land agents, of soldier settlement inspectors—these officials may be very useful, but unless there is the strictest supervision the pressure that is brought to bear upon members of the settlement committee by those who expect to secure aid is of such a character, as was mentioned by one hon. gentleman who spoke this afternoon, as usually to bring about a condition that is injurious to the settler himself in the long run. I know that because I have visited many of these places during the last two or three years, and I propose to make some observations with respect to revaluation of land by reason of that very fact.

Now I suggest to the minister that instead of asking for $5,000,000 for the first year, he ask for a lesser sum. I suggest also that he make it clear that there is no commitment as to the future as in this measure, for it contemplates a larger commitment than that. I would further suggest that he surround it with such definite regulations as will not permit of the abuses that have attended loans of this character in the past. I do not say that in any sense a particular political party can be blamed, because all political parties are composed of individuals who are human, but the pressure brought to bear upon the settlement committees or whatever you may call them, is so great that usually I have observed that a friend gets better treatment than the man who is not a friend. The resolution speaks of improvements in land or farm buildings. Now there must be at least $500 worth of improvements in either land or buildings to warrant a loan of $500, and no doubt an improvement to the extent of $1,000 will be necessary before a loan of that amount may be obtainable. Under these circumstances it does seem to me that there will be no hope of success unless there is provided such machinery as has been used by the Canadian Pacific Railway Company. There should be long rather than short terms and there might be provided an amortization plan instead of having the interest paid on the instalment principle. If the scheme were carried out along these lines it would afford great assistance in enabling the man to get his patent so that he might offer a valid security under any rural credit scheme. As the resolution stands, he is simply given a sop. I do know of cases in which great benefit would result. No one knows better than one who has practised his profession as I have, in western Canada, just how great are the evils that attend sparse settlement. Anyone who has had to do with the transaction of business on a large scale in the west is aware that the crying evil in the country at this time is the great sparseness of settlement extending over wide areas. Schools must be maintained, and there must be kept up lines of communication by rural telephone, mail delivery, roads, and so forth. The result has been that instead of a really happy and contented people we have in the west a population scattered over vast areas and discontented because they are not in easy communication with one another, and so feel that they are lost in a wilderness. If you could only fill up the vacant spaces within ten or twelve miles of a railway, then the greatest accomplishment any government can bring about would have been realized. But until that is done the present condition will continue.

I am willing to support the resolution merely because I believe it is the duty of the government to assist in every possible way to have these vacant places settled. But I would have the minister understand clearly that from my observations, and from what I have learned in discussing these matters with others, that he is doomed to great disappointment if he hopes by means of loans of this character made upon improvements, either on lands or in buildings, to bring about the settlement of homestead lands after people have declined for twenty-five years to take them up. I am intimately acquainted with such lands over a considerable part of Saskatchewan, and over no inconsiderable part of Alberta.

Mr. STEWART (Edmonton): I may tell my hon. friend that 190 homesteads were taken up in western Saskatchewan last year in the wooded areas.

Mr. BENNETT: Quite so.

Mr. STEWART (Edmonton): And they have been passed by for twenty-five years. Across the Saskatchewan river, within fifteen miles of the Grand Trunk Pacific, there is another splendid area of first-class land, which has never been taken up.

Mr. BENNETT: What the minister says is absolutely true. There is no doubt that wherever men have to spend from three to ten dollars an acre to clear land to make it available for the profitable production of crops, such land will always be avoided, the preference being given to prairie lands. What the hon. member for Muskoka-Ontario (Mr. McGibbon) has said is quite correct. In the early days of settlement in eastern Canada the people of Nova Scotia, New Brunswick, and Quebec had to hew their homes out of the wilderness. But that is entirely a different thing from establishing homes on the prairies. There has been no disposition on the part of the prairie settler to take up land where he has had to do any clearing, even of scrub and brush, to any considerable extent. No great settlement of homestead lands has been passed up in southern Alberta.

Mr. STEWART (Edmonton): I do not think so.

Mr. BENNETT: As I have already said, I fear the minister is destined to be greatly disappointed by a scheme such as is proposed. I have an idea that what has happened in the past will happen again. A desperate effort is always made by the political organizer to induce people to undertake things of this kind. The organizer will tell them, "Here is your chance. If you only do certain things, you are bound to secure the desired results." My hon. friend knows this; he has had as much experience of it as I have had. And this is not confined to one party. We know that during the days of the distribution of the drought relief such incidents were not uncommon. I would advise the minister to reduce the amount and to make the experiment for one year only, trying under those conditions to induce people to take up settlements in the vicinity of districts already settled, rather than going far afield and afterwards making demands for telephones, schools, rural mail delivery, better roads and, lastly, increased transportation facilities in the way of railroads.

Motion agreed to and the House went into committee, Mr. Duff in the chair.

The CHAIRMAN: Shall the resolution carry? Carried.

Mr. CAHAN: I trust, Mr. Chairman, you are not going to carry it so rapidly as this. I wish to make no reflections, but I think the Speaker was rather hasty in calling "Carried" before.

There is one objection that I think may be made to this resolution, and that is that while the amount is large, $5,000,000 a year, it is also unlimited as to time. I do not think, under the present condition of the finances of this country, that an experiment of this nature to the extent of $5,000,000 a year should be unlimited as to time.

Mr. STEWART (Edmonton): I intended to say in reply to the hon. member for West Calgary that I have no particular objection to a reduction of the amount. Indeed, we likely shall not be called on to spend any of the money this year, but my hon. friend will readily understand that if settlement takes place under the provisions of the act, the persons who settle on the land and make improvements will expect to have advances made to them in the succeeding year, and that is one of the difficulties in limiting it to one year. I have no objection to limiting it to three years, and, when the bill is introduced, to cutting down the figure to a very reasonable amount, if that will meet my hon. friend's objection.

Mr. CAHAN: Mr. Chairman, it certainly will go a long way toward meeting the objection I had in mind, if the amount can be reduced, and if the term during which the experiment is to be carried on can be limited. As a matter of fact, the constituency which I represent, and this applies I believe to the whole of the eastern provinces, is desirous of going a very long way in order to assist in the development of the western provinces, but there must be a limit to the liabilities which the whole country will undertake in the next few years in that respect. We have this liability, and if it is not inopportune to say so, we have the liability coming in connection with rural credits, which is a somewhat similar application of public funds. Then we have the pension proposal, which

I understand will require about twenty to twenty-five million dollars a year, if it is to be carried out according to the terms proposed in the resolution. Then we have the liability to which I called attention the other day in connection with the West Indies, which may amount, if we carry out that engagement, to a capital outlay of some nine or ten million dollars, and an outlay to make up the deficiency in earnings running anywhere from $300,000 or $400,000 to $1,000,000 a year, depending on the extent to which the scheme is carried out.

We are in a very critical position in this country at the present time. Hon. gentlemen do not seem to realize the burden of debt and the burden of taxation which we are now carrying, and which, if you take your municipal, your provincial, and your federal taxation, all of which we have to bear, amounts to nearly one-quarter of the productive energies of this country. Further, while the east is prepared to make large concessions to the west, if you impose too large burdens upon the east, it must break; it cannot carry the burden that it is carrying. Since confederation was established in 1867 the east has willingly carried that burden, and it is carrying it to-day. In proportion to the wealth of those western provinces, Manitoba, Alberta and Saskatchewan, the individual wealth of the eastern provinces is far less, and the eastern provinces are far less able to carry the burden than the west. The west is more prosperous to-day than any other part of this country, and I am thankful for it; but if you burden the east without giving, as I think, proper encouragement to the establishment of remunerative industry in the east, this country will break so far as the east is concerned; it will be impossible to carry the burden of debt and taxation which has been already rolled up. Without saying one word of disparagement of the west, the great burden of our taxation comes upon the eastern provinces, and they are carrying as heavy a burden as it is possible for men to carry under the present industrial conditions. I am thankful, therefore, that the minister has saved me from talking half an hour by the very reasonable concessions which he says he is prepared to make.

Mr. STEWART (Edmonton): My hon. friend surely is not arguing that the individual in the east carries more taxation than the individual in the west?

Mr. CAHAN: The eastern individual carries more than the western; there is absolutely no doubt about it. There is no doubt that the eastern provinces are carrying by taxation a large portion of the cost of shipping every ton of wheat that comes from the west to the east. That is according to the return which was brought down for my hon. friend from Muskoka, and to which he referred. It is not dealing with the present year—and I am not dealing with the present year, but in the two previous years this country as a whole paid a very considerable portion of the cost of transporting the wheat from the west to the east, and I think it is prepared to make large concessions in that respect.

Mr. STEWART (Edmonton): That was not the question I asked my hon. friend. I understood him to be arguing that the individual in the east was carrying more taxation than the individual in the west.

Mr. CAHAN: I cannot discuss intelligently or compare our municipal taxation in the east with the municipal taxation in the west, because I have not the figures of municipal taxation. But so far as federal taxes are concerned there is absolutely no doubt, anyway you look at it, that the great bulk of the taxation of this country is being carried at a higher rate per capita in the eastern provinces than in any of the provinces of the middle west, and furthermore, it is being carried out of a per capita wealth much less in the east than in those provinces of the middle west. I am glad the amount involved in this proposal is to be decreased to a more reasonable limit. But consider the aggregate burden we are rolling up: We are also going to revalue the soldier settlement lands, a proposal which bids fair, if my information is at all correct, to place a further burden of forty or fifty million dollars upon the whole country by the reduction of the amount of outstanding loans and the assumption of that reduction by the Dominion treasury and the east will have to bear a very considerable share of it. Then there is the rural credits scheme, the pension scheme, the proposals in connection with the Hudson bay, and all the rest. I say that unless you limit those obligations and at the same time give us an opportunity to increase our industrial efforts in the east you are placing a burden upon this country that, in my opinion, can have only one result. I have said before, and I wish to repeat it, I have no prejudice whatsoever against the west. I am anxious, and I believe

the whole of the east is anxious. to assist in building up this country as a whole, whether it be the western provinces or the eastern provinces.

Mr. MacLAREN: There is a provision in the proposed arrangement regarding the provinces which do not have crown lands suitable for the purpose of carrying out the desired object. The minister very correctly describes what is proposed as a very meagre provision, so meagre indeed that he thinks—

Mr. STEWART (Edmonton): May I correct my hon. friend? I am afraid that a different meaning from that intended has been given to a statement of mine. If the provinces have the lands and are desirous that the Dominion shall advance money to put settlers upon them, then the Dominion will advance the whole $1,000. The meagre provision I spoke of was the assistance granted the provinces to purchase the land.

Mr. BENNETT: There are some crown lands in New Brunswick.

Mr. MacLAREN: Some of the provinces have crown lands not suitable for settlement, and in order to make this provision apply generally the minister recommends the provision set out in clause 8 of the resolution. He described that as a very meagre provision and I agree with him absolutely.

Mr. STEWART (Edmonton): That is towards the purchase of the land.

Mr. MacLAREN: Towards the purchase of the land, yes. I wish to remind the minister, and I have already pointed out the fact many times, that the attention of parliament is too strongly drawn and directed towards settlement in certain portions of the west, whereas other portions of the Dominion might, with great profit and even greater fairness, receive equal attention at the hands of the ministerial head of the Immigration department.

Mr. STEWART (Edmonton): I think my hon. friend's province is in a very superior position in the matter of fares for settlers because it takes very much less money to bring settlers to that province.

Mr. MacLAREN: I understand the arrangement to which the minister refers has been agreed upon but has not yet been brought into effect. I should like the minister to point out to the committee anything in the nature of an advantage to the Maritimes in matters of this kind that has been carried out in the past few years. What we are dealing with here is something which it is hoped to secure in the immediate future. I think my contention is correct that the immigration policy of the government has been too restricted in its outlook, and that there has been a failure to apply it equally to all portions of the Dominion. My hon. friend (Mr. Bennett) pointed out the great difficulties that arise as a result of sparsity of settlement. In the remote portions of the country that difficulty would be encountered more easily than in the more settled parts of Canada. I would urge once more that settlement should proceed gradually from the populated districts outward rather than that it should be directed to remote and sparsely settled parts of Canada. At the present time I do not see that this proposal will apply to any extent to the eastern portion of the Dominion. I presume the minister will agree with that statement.

Mr. STEWART (Edmonton): I must confess that I am ignorant of the agricultural situation in the Maritime provinces, at all events I am not familiar with it. But my hope was that something might be accomlished through the medium of this policy to settle the vacant lands of those provinces. I understand there are in the Maritime provinces a number of vecant and abandoned lands, although an abandoned farm has not a very pleasant sound to the ear of an incoming settler. That was a difficulty that was encountered in connection with the soldier settlement lands. At the same time I am informed that there are a large number of farms in the Maritime provinces of fairly good quality that are available for settlement to the newcomer. My hope was that perhaps the provinces might take up this problem in conjunction with the Dominion, in which case we would make these loans to establish the newcomers.

Sir EUGENE FISET: I should like to ask the minister one question, because I can see how this proposal is likely to affect the province of Quebec to a very considerable extent. The minister has stated that the land coming under this scheme must be situated within fifteen miles of a railway. Such a provision, whether established by regulation or by statute, is going to militate extremely against the province of Quebec and will absolutely prevent the application of this scheme to districts in our province where settlement is needed, these districts being in some cases fifteen, twenty and, perhaps, twenty-five miles from the railway. I should therefore be very glad if the minister, when preparing the regulations which

are to govern the matter, would take into consideration the fact that other parts of Canada as well as the west have to be kept in mind.

Mr. STEWART (Edmonton): I am surprised to know that there is not a large quantity of land in the province of Quebec within fifteen miles of a railway.

Sir EUGENE FISET: All the crown lands that are being settled at the present time are situated more than fifteen miles from a railway.

Mr. STEWART (Edmonton): My hon. friend does not suggest that there are no crown lands unsettled within fifteen miles of the existing railways?

Sir EUGENE FISET: There is very little left in our part of the country within that distance.

Mr. MURPHY: I am in accord with the spirit of this resolution. The minister states that he wishes to settle vacant lands throughout the Dominion. I do not, however, follow him in his argument that the present proposal is going to carry out that purpose. The first clause of the resolution provides that the minister may make loans to settlers on the basis of improvement of land and farm buildings erected, and the amount of such advance is to be $1,000 for a Canadian citizen and $500 for an outsider. In other words after the man has been induced to go on the land and has demonstrated to the government that he can support his family and make improvements he is entitled to receive aid which however he no longer requires. He has demonstrated that he can make a living and support his family. Then the government intimates that it is prepared to come to his assistance. I do not see the soundness of any such reasoning. It seems to me that if assistance is given it should be given in the first instance, because the type of settler that you are going to attract to these vacant lands is likely to be a man of very limited means. Now, if the intending settler has certain moneys of his own that will enable him to live for a period of two or three years, erect his buildings, and carry out desired improvements, he does not need to settle on vacant land. There are hundreds and thousands of acres of more or less improved land in western Canada to-day and which, if they can be purchased, will be taken in preference to vacant land. There are lands which can be purchased in western Canada to-day on the basis of a share of the crop payment without the purchaser putting up one dollar of his own money. And upon these lands buildings have been erected in many cases. Buildings have already been erected on these lands, therefore I say this proposal does not encourage settlement on vacant lands. If we are to encourage settlement on vacant lands the assistance should come at the beginning of the term, not after the man has demonstrated that he is capable of making a living there. I am opposed to any resolution providing for making a direct loan to the people from any government of this country. It has been proven a failure, especially in my own province of Manitoba, under the rural credit scheme. It has been a curse rather than a blessing to the people of that province, and I think every member from western Canada will bear me out in that statement. The government in Manitoba is facing a loss at least of $500,000 under that scheme.

An hon. MEMBER: $675,000.

Mr. MURPHY: Yes. Those loans were made, I might say, to farmers already established upon the land with the object of improving their buildings and stock and making the business a success. If that policy was a failure under those conditions, where the farmers were already established on the land, how can hon. gentlemen expect inexperienced men taking up vacant land to make a success of it and be able to repay the money to the government? The principle of the government lending money directly to the people is to my mind absolutely wrong. We know that this is merely a sop and does not deal with the question in a big way. You have your other immigration schemes as well. Clause 8 states that if a provincial government, not having suitable crown lands available, acquires by purchase suitable land for settlement under the provisions of this legislation, the minister may pay to the provincial government a sum not exceeding one-half of the interest on the purchase price of such lands. If that provision was carried out you would add to the difficulties under which the municipalities are suffering to-day. You purchase the lands from private interests, and they become crown lands. Those lands are now taxable, and if those settlers leave them they revert to the crown, and any taxes that are paid on them at the present time will not be payable in future to the municipality.

Those are my main objections to this resolution. I believe the same result would be achieved by the government making a survey of all the different areas throughout the west, in co-operation with existing institutions such as agricultural societies, boards of trade, and the different locals of the United Farmers of

the west, so that information would be at hand in concise form respecting lands which are available at the present time for settlement. There are many pieces of land in the well settled districts which the owners would be only too pleased to let go to men who wanted to settle on the land. If a man living in any of the cities of Canada to-day wishes to go on the land there is absolutely nothing to prevent him. Many farmers in the central provinces would only be too glad to get men and families to assist them, because many of them have too much land and not enough help to cultivate it. Some of these lands are capable of producing from 33 1-3 to 50 per cent more than they are producing at the present time with limited labour. Intending settlers from any of the cities of Canada, or incoming immigrants would have no difficulty in settling on the land or obtaining a lease and getting assistance from the owners of the land in order to get employment on the land.

Mr. SPENCE (Parkdale): I do not think it is too late to suggest to the minister that he should withdraw this resolution, so that hon. members may study it and become more familiar with it. It is rather a radical move, a move that I would expect from my hon. friends from my left rather than from the Minister of the Interior. At least it is establishing something new that would have a bad effect on the public treasury. I am sure if the minister would withdraw the resolution he would be doing the country a kindness. It is all right to laugh, but at the same time you are loading up the industrial world and the country generally with something that it cannot carry, as an hon. member stated a short time ago. The government is getting into difficulties all over, with rural credits, pensions and everything else that is being suggested. Who is going to carry the burden? I do not wish to talk about it. I think the minister should use his judgment and withdraw the resolution. It is a radical move, this suggestion to spoon-feed the people.

Mr. BENNETT: The Conservative government are doing it in England.

Mr. SPENCE (Parkdale): I do not care what they are doing.

Mr. STEWART (Edmonton): I think there is a great deal of misapprehension about the resolution. I do not see the danger suggested by my hon. friend who has just spoken. While the losses in connection with the activities of the Soldier Settlement Board have been large and will be larger, after all the board has served a very useful purpose in Canada. No one will deny that. The difficulty to-day with the man going upon the land is that he has not got money. It is all right to talk about the ease with which a man can secure an improved farm. I know all about that. I have some farms I would not mind selling to someone on crop payments, without any payment down, but I could not afford to sell them for nothing. Incidentally, while a man is working a farm on crop payments, he must have at least $2,000 with which to purchase stock and implements before he can farm the land. So that he is met at every corner with a handicap. There is inherent in the human mind, no matter where we go, a desire to own land, whether in the city or in the country. It is a laudable ambition, because the ownership of land ties a man to the land and to the country and makes him a much more valuable citizen than he would be if he had no ties or stake in the country. I want to encourage not only the young man in the country, but those who are in the cities and towns at the present time, to go out and procure land which they will have a reasonable chance of owning within a certain length of time.

I think I can safeguard this legislation so thoroughly that the loss will be reduced to the minimum. I do not mean to say that when the government directly advances say from two to four thousand dollars by way of farm loans upon an improved farm, it is not taking a considerable chance in regard to the repayment of the loan. The loan companies lose a great deal of money, and they exercise much care. When you go into it on such a scale you sometimes lose money. But when you have an encumbrance on the land and the land is the property of the crown; when all you are doing is trying to give the man a sufficient amount to carry him along as he improves that land, and when you provide a safeguard by ensuring that he does not get more than the value of the improvements he places upon the land, the chances of loss are reduced to a minimum.

Mr. McGIBBON: How much does the minister think it would cost, roughly, on an average to clear this land per acre?? I know he cannot give exact figures.

Mr. STEWART (Edmonton): If someone was hired to do the work it would probably cost $5 to $7.50 an acre. If the settler does it himself, the cost represents exactly the amount of energy he puts into the work, but we may say it would cost him on an average $5 an acre to clear that bush land. We have cleared whole townships of it in Al-

berta by burning. There is a very prosperous settlement that I know well on the Edmonton-Dunvegan railway where three townships were burned over by officers of the Department of the Interior and were cleared very rapidly in that way. That is exceptionally easy clearing, and probably it did not cost us more than twenty-five cents an acre to do it. Generally speaking there is sufficient timber on these lands to provide for the erection of log buildings. Many of these settlers would not under any circumstance get the maximum advance, but the advances would keep them at work improving their land whereas otherwise they would have to leave and finally abandon the land because they would have to go out in order to earn sufficient money to support their wives and families.

Mr. McGIBBON: All a man would have after three years would be his wages, which would be paid by the government.

Mr. STEWART (Edmonton): Not necessarily, because in my experience in western Canada, although this may not be true in the east, every homesteader has an opportunity during at least two months in the year of earning very high wages. During the last few years he has been earning, in harvesting operations and threshing, five to six dollars a day, with board; so that he earns a very respectable amount of money in that way in a very short time. This is merely supplemental in order to keep him on the land until the spring when he can best perform his duties, and to encourage him, if it is possible to do so, to own the land and to become a contented settler.

Mr. MEIGHEN: Clause 5 reads:

That no settlement loan shall be made upon the security of improvements upon any provincial crown land, unless the province by appropriate legislation, has provided that the improvements upon the security of which any such loan is made shall be subject to a first charge for the amount of such loan with interest, and that no patent shall be issued for the said land until such loan with interest is repaid in full.

I do not see very much security that is going to be given in that way. In the first place the Minister of Justice may take care that his province will not permit the minister to put a federal mortgage on provincial crown land, and next if the province withholds the crown patent until the loan is paid, supposing the loan is never paid how is the government going to get title? Suppose, for example, in the case of crown land in Ontario a loan is made and patent does not issue. All the man mortgages is his right to a patent if ever he repays the loan. It is a sort of equity to title.

[Mr. C. A. Stewart.]

Mr. STEWART (Edmonton): The arrangement will be between the provincial government and the federal government in that respect.

Mr. MEIGHEN: I know, but that is the basis of the arrangement as outlined in the resolution. All the province agrees to is that it will not issue patent until the loan is paid and that the loan will be a first charge. The province holds the patent; all the man mortgages is his right to patent once the loan is paid.

Mr. STEWART (Edmonton): But the land would not be patented to anybody. The loan would be a prior claim on the land.

Mr. MEIGHEN: How is the government going to get title if the loan is not paid? There is no way in the world that it can get title. A man settles in northern Ontario, and the provincial government have passed legislation in Ontario that first of all if he borrows from the federal government the loan will be a first charge. They pass legislation also that they will not issue a patent until the loan to the federal government is paid. Let us suppose that is all done as is provided in the resolution and then the settler does not pay. Will anyone suggest how the government is going to get title? It cannot get title.

Mr. STEWART (Edmonton): They get title to sell the property in order to recoup themselves.

Mr. MEIGHEN: The crown patent has not issued.

Mr. STEWART (Edmonton): The loan is the only charge that will be against the land and surely the officials of the government would not be so simple as to lend money upon land which was not worth it.

Mr. MEIGHEN: That is not the point.

Mr. STEWART (Edmonton): Is it simply the point that we would not be able to foreclose and recoup ourselves?

Mr. MEIGHEN: Certainly, because there is no title to foreclose on. The title is in the province of Ontario.

Mr. STEWART (Edmonton): We would be in the position of having a first mortgage on the land.

Mr. MEIGHEN: Very good, but the patent has not issued.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

The CHAIRMAN: When the committee took recess at six o'clock we were discussing a certain proposed resolution to authorize advances to settlers on crown lands. Is the committee ready for the question?

Mr. ROGERS: No, not yet.

Mr. YOUNG (Weyburn): Will the bill contain any provision to prevent a settler going into debt in anticipation of getting a loan and then assigning the money to his creditors?

Mr. STEWART (Edmonton): Of course, this is purely a case of a mortgage upon the property after certain improvements have been made. The settler must first improve his land to warrant any advance to him.

Mr. FOSTER: Has the government information as to the provinces in which these lands are located? What demand has been made, and by whom, for the introduction of this legislation involving an expenditure of $5,000,000?

Mr. STEWART (Edmonton): The bulk of the land is in the prairie provinces and is vested in the federal government. As I pointed out this afternoon, the provincial governments of Ontario and Quebec have adopted a similar scheme for the settlement of their crown lands.

Mr. FOSTER: Where are these lands located?

Mr. STEWART (Edmonton): This afternoon I gave the acreage and location of the lands in the western provinces.

Mr. FOSTER: I beg my hon. friend's pardon, I missed the statement.

Mr. STEWART (Edmonton): I did not give the localities.

Mr. FOSTER: That is what I am particularly interested in. I have knowledge of some of the territory in the western provinces. I do not know whether the lands I have in mind are vested in the crown or not; that is why I put my question. Do any of the lands east of the city of Winnipeg along the Canadian National lines come into this scheme?

Mr. STEWART (Edmonton): Yes.

Mr. FOSTER: Is the land northwest and northeast of Winnipeg in that section east of the lakes vested in the crown?

Mr. STEWART (Edmonton): There is some crown land there. Practically all lands in the northern portion of the three prairie provinces have been inspected by the inspectors of the Soldier Settlement Board. Those lands do not include any acreage such as I gave this afternoon. For example, out of a million acres in Saskatchewan, between 300,000 and 400,000 acres have been inspected by the Soldier Settlement Board inspectors, who have recommended the land, which is mostly brush and woodland, as suitable for settlement. In Manitoba I think land in five or six different localities has been inspected. In Alberta the Soldier Settlement Board inspectors have inspected five or six hundred thousand acres of land, mostly covered with timber and brush, that they recommend as being suitable for settlement. Those are the lands I have particularly in mind.

Mr. BURY: I am sure, Mr. Chairman, that the committee recognizes two things at least: that the problem with which we are faced to-day is the result, first, of the absolute lack of any proper system of colonization, of any proper principles. The orderly development of the city of Edmonton was tied up for years by the great block of land held by the Hudson's Bay Company and we were forced in consequence to extend our various utilities to reach the settled parts in the outskirts of the city. The committee recognizes also, I think, the sincerity and earnestness of the minister in charge of this proposal, and that he really conceives it to be a serious attempt to solve the problem. I do not like to criticize his proposal, although in point of fact criticism is the prerogative of the opposition and the price of office, but it seems to me that the government is indulging in an agricultural experiment which is going to mean nothing but a harvest of political disappointment and a financial loss to the country.

Before dealing with the elements of the proposal, may I mention one or two statements made by the minister which are misleading? In the first place, he spoke of the proposal as being a settlement, and the settlers as being settled under the act. I do not understand that there is any such thing as a settlement under the proposed act. The act, if it is passed, will possibly bring certain settlers within its purview and the range of its benefits, but I do not understand the phrase "settlement under the act." So far as I can see, there is no such thing.

The minister mentioned a fifteen-mile limit. I cannot find any reference to a fifteen-mile limit in the proposal as we have it before the committee. Perhaps the minister can discover it himself, but it has eluded me.

Mr. MEIGHEN: It is not there.

Mr. BURY: The minister also said that this proposal was for the purpose of helping to put settlers on the land. That of course, is not correct: the settler is on the land before he gets any assistance at all. He may be on the land for some years before he is in a position to make application for a loan, as I hope to prove in a few minutes.

Finally, the minister talks about a charge on the land. He gave the committee to understand that the federal government would have, as security for the loans, a charge on the land. In no sense is that true. If the land belongs to the federal government, the federal government can have no charge upon its own land, and if it is provincial government land the federal government certainly can have no charge on it unless the provincial government actually gives such charge. What the federal government will have by way of security for any loans it makes under the scheme will be a kind of equitable claim or charge against the interest of the particular settler, an interest which is very vague and indeterminate; and the moment it is abandoned, that very moment the security goes, and the money along with the security, because the only thing that will be left will be the personal covenant or promise of the settler. When the settler abandons his land, therefore, his personal covenant becomes absolutely worthless.

It is necessary for the committee to have these facts clearly in mind, and not to labour under the delusion that moneys that will be advanced under the scheme will have behind them anything which we can properly call a land security, or any tangible security, or any security which, in point of fact, can be realized at all. The fact is that it will be absolutely in the power of the settler at any moment to extinguish the security merely by his leaving the homestead and throwing the land back on the government.

The minister has said that the purpose of the proposal is to settle crown lands within fifteen miles of the railways. He has gone further and assured us that the reason there is any such land still available is that homesteaders have passed it up long since and gone out into the country forty and fifty miles further on, rather than take them up. Why? They have passed these lands up either because they were poor or because, although being rich lands, they were so heavily timbered that it did not pay to clear the ground. I take it for granted that the land that would be brought within the purview of the proposed act would be not poor, but very heavily timbered, land. The question arises, then, as to what it would cost to clear such land. The Minister of the Interior tells us that it would cost $5 an acre to clear it. I do not think that is correct. Hon. gentlemen to my left understand something about clearing land, and I leave it to their judgment whether I am not nearer the mark when I say that the cost of clearing the land would be more like $15 or $20 per acre. Of course it entirely depends on the weight and thickness of the timber. If land could be cleared at $5 an acre it would not now be available for homesteading if it is within fifteen miles of a railway. I do not think anyone will dispute that statement. I happened to be in the northern part of the country two or three years ago in the neighbourhood of the Lesser Slave lake, and I saw some homesteads there with heavy timber on them. It was beautiful land. I asked some of the settlers what it would cost to clear such land, and they said $40 an acre. "In the name of fortune", I said, "how can it possibly pay a man to clear land at $40 an acre? Would it not be infinitely better to pay $10 an acre to begin with and get land already cleared?" That is a question which will be readily answered. However, if what the Minister of the Interior suggests is correct, and if this land can be cleared at a cost of $5 an acre, it means that before the unforutnate man can get a loan of $500 he must clear 100 acres of land. If he does not clear the whole 100 acres then he must put up a fence and build a house by way of improvement, which would mean that probably he would be on the farm about three years at the very least before he would have such improvements as would be worth $500. When he would have made improvements that would be worth $1,000 I leave it to the committee to imagine.

There is one other thing the committee must keep in mind. The minister has suggested that improved farms are so valuable in Alberta that a man has no difficulty in raising a loan of $600. I can only tell him that I lent a man personally $250 on an improved farm in Alberta near a railway station, and although that was ten years ago I am still whistling for the $250. In my office I am attending to two files representing mortgages, one of which started with a loan of $450 on a farm within a quarter of a mile of the rail-

way station. That was an improved farm and I cannot get any money out of it. I have another farm up in the Peace river district in which there is a loan of about $800 and it will keep me scratching to get my money out of that transaction. And these are all improved farms. The truth of the matter is that by reason of the fall in land values there are plenty of improved farms in Alberta that can be sold cheap, and I feel very much inclined to support the suggestion made by an hon. member to my left, whose constituency I cannot name, that it would be better for the government not to try to clear these heavily timbered lands but, if they are going to do anything in the direction now suggested, rather to assist in putting improved farms that are now derelict back into occupation and use. The settling of heavily timbered lands might come later, when through an increase in population in the immediate neighbourhood, the general price of land goes up and when there may be a greater market for the timber, so that those who might take them up could get something of appreciable worth from the clearing of the land itself. But to tackle the problem in the way the government now proposes, means, to my mind, that this country will be faced again with another fiasco and with a burden of debt. In Alberta we have seen the results of attempts to assist the agricultural industry. We had a famous cow bill once, the provisions of which all parties in Alberta united in passing.

Mr. HANSON: Who was the author of it?

Mr. BURY: The Liberal government was the author of that cow bill, but to be perfectly fair, I must say that the Conservative members of the House ardently supported it when it was brought forward. But nobody mentions the cow bill now except with bated breath or when no one is around.

It is all very well to talk of advancing money only to the extent of the actual improvements, and it is all very well to have your valuators go on the land to find out what the actual improvements are, but will the committee remember this: that the improvements on which they are proposing to advance this money are wasting improvements, that when a man steps out of his land, the breaking goes back into the old condition and becomes grass, or worse still, weeds. The neighbours around who want fence posts come along and take fence posts and the wire, and those who want doors and windows come and take the doors and windows for their houses. By and by the roof goes, then the walls, and finally there is just about as much left to mark the place where those buildings and outbuildings were as there is over the site of Sodom and Gomorrah.

Mr. MEIGHEN: The mortgage will still be there.

Mr. BURY: There is no mortgage because there is nothing left on the land. There is only the promise of the settler to pay and the security of his tenure and his right of tenure in the land. When that is thrown up, the whole security is gone, and if there is any value at all in the improvements it is a wasting value. Every man who has handled mortgages in this country, especially in the west, knows very well that when he gets a derelict farm back on his hands, he may as well count it as new, unimproved land, because the breaking goes back into the old condition and becomes grass or weeds. Every fence post and every yard of wire, every stick and timber in the house, goes in process of time, and you have nothing left except what you had in the beginning, with this difference only, that some of the trees have been cut down and some of the stumps removed, and the ground is that much easier for some future tenant to break. For this reason, Mr. Chairman, I think the government would be well advised not to plunge with eyes half closed, or under the impulsion of any oblique influence from any side of this House, into a scheme which I know, and I think every member of this committee knows in his heart of hearts, means a further financial burden and further financial loss.

Mr. FORKE: Mr. Chairman, it seems to me that hon. members who have been criticizing this resolution are taking much too serious a view of the situation. I think it is this amount of $5,000,000 that really looms large in the minds of a great many members who have spoken. Having a little knowledge of the conditions, I venture the prophecy that $5,000,000 will not be spent in this way within the next ten or fifteen years. I am perfectly satisfied that this scheme is going to be taken advantage of only by what I would call workingmen, men who work out during the summer months and earn big wages perhaps in harvest and threshing time, and who are willing to put up a house on a quarter section of rough land, leaving the wife there during the summer, and coming back home in the winter and gradually clear-

ing and improving that land. There is a great deal of groundless fear on the part of our eastern friends as to the expenditure that will be made under this scheme.

Mr. BURY: What is the check on it?

Mr. FORKE: They have to make certain improvements, and the most they can receive is $1,000.

Mr. BURY: Does the hon. member not agree that the fewer the number that take advantage of this scheme, the less useful it is? His very argument that it is going to be taken advantage of by only a very few surely means that the scheme is going to be of very little use.

Mr. FORKE: I think the hon. member has not caught the point. I say this scheme will be taken advantage of by a certain class of people who have not sufficient capital to go on what I would call a really good cleared farm. It will appeal to men who are working out by the day during the summer and going back to the farm in the winter and making their improvements. My hon. friend from East Edmonton said that when one of these farms is vacated the fence posts and even the doors and windows of the houses are stolen by the neighbours. If there was anything else left, Mr. Chairman, I think the lawyers would get it.

Mr. BURY: That is why I am so poor.

Mr. FORKE: I was rather surprised, I will not say at the indignation shown by the hon member for St. Lawrence-St. George (Mr. Cahan) this afternoon, because I believe he was quite in earnest when he spoke of the terrible burdens the east was carrying for the west. This was only another scheme, in his view, whereby millions would be loaded on to the shoulders of the eastern people. Mr. Chairman, I do not know when this sort of talk, this everlasting story of the east carrying the west upon its shoulders, is going to end. I have borrowed money sometimes, I suppose from eastern capitalists, and I never got it for less than 8 per cent. I never supposed there was any favour in the thing; it was simply a business transaction, and if hon. members in the east have made bad investments in western Canada it must have been through their want of sound business judgment. I cannot understand this constant talk of the east bearing the burdens of the west, of every move made in western Canada as being something that is going to be a further burden on the shoulders of the east. I deplore that sort of talk, and I think we ought to stop it. The people of the three western prairie provinces do not want any charity; all they want is fair play and a square deal.

An hon. MEMBER: They take all that is coming to them.

Mr. FORKE: You do not hear us talking that way of eastern Canada. You do not hear any western man finding fault with the east or with the Maritime provinces. We are perfectly ready to help the east and the Maritime provinces in every way we can. Furthermore, I say this talk does not make for a united Canada, and I want to see a united Canada. I want this talk of east and west, of one carrying the burdens of the other, to stop, because I do not believe there is anything in it.

Mr. HANSON: May I ask the hon. member how he expects to have a united Canada in the face of the Speech from the Throne that this government brought down this year?

Mr. FORKE: How often hon. members are pointing across the floor and saying, "this" government. This government is here, and apparently it is going to stay here for some time.

Mr. BURY: Does the hon. member think that he should have been pointed to instead?

Mr. FORKE: I am not going to take up very much time, and I hope hon. members will allow me to finish. The hon. member for St. Lawrence-St. George is now in his seat, and I wish to relieve his mind a little. I want to tell him there is no danger that the east is going to be swamped by this little insignificant attempt that is being made at the present time to help some of the workingmen to get homesteads out in western Canada or in any of the other provinces. The hon. member for St. Lawrence-St. George—I am repeating this just for his benefit—seemed to get very much worked up this afternoon about the tremendous burden that was being heaped on the shoulders of the eastern people through some of the commitments that are being made in western Canada. Mr. Chairman, I repeat that I repudiate any such statement. I know something about the history of railroad building and of the opening up of western Canada. I have seen that part of the west in which I live develop from the prairie to the point that we have there now a civilized community; we have roads and bridges, rural mail deliv-

ery, and all the conveniences of modern civilization. I know something about western Canada, and I think we ought to stop this talk about the east carrying all the burdens for the west.

What remedy do these critics propose in place of the scheme that we are now considering? Hon. members continually repeat the assertion that what we want to-day in this Dominion is a larger population. We want more people, they say. What are we going to do with them? I wish the hon. members who make this statement so frequently would tell us what we can do with them.

Mr. CAHAN: I will tell my hon. friend, if he will permit me. We are bringing into this country $600,000,000 of foreign products that can be manufactured in the Dominion.

Mr. FORKE: I had an idea what my hon. friend would suggest before he made his statement.

Mr. CAHAN: Quite so.

Mr. FORKE: A great many arguments have been advanced during the last four years in an effort to prove the truth of that assertion. I have as yet failed to see that it will remedy the problems we have to meet. We are producing more goods than we can sell now, and they are being produced at a cost which renders it impossible to compete with other countries. The hon. member for St. Lawrence-St. George would restrict the buying power of the people of Canada by forcing them to buy the goods that are produced here, notwithstanding the price at which they are produced.

An hon. MEMBER: Be patriotic.

Mr. FORKE: I am just as patriotic as hon. gentlemen who adopt that line of argument. But I am convinced that even if those hon. gentlemen had their way and obtained increased protection, that would not solve the problems with which we are now confronted. If any hon. member who favours that argument will give it serious thought he will soon come to the conclusion that his theory will not solve our problems. We have heard it stated, and it has been repeated time and time again, that we have all the facilities necessary to carry on business for twice our population, and that we need population to help to bear the capital expenditure that has been made in procuring those facilities. Now I come back to the question as to what we are going to do with the population we now have. You do not want them in the towns; you say you have not markets enough now for the goods you are producing in the industrial centres, and that you want to create a greater market in this Dominion. How are you going to create that market? By an increased population engaged in creating natural wealth. Now, I want to draw a distinction, Mr. Chairman, between what I call creating natural wealth and creating industrial wealth, because there is quite a difference between the two. I want hon. members to understand that I do not belittle in any way the production of wealth by industrial methods. Industry adds to the value of an article by shaping it so that it will be available for the actual use of humanity. Wealth derived directly from the soil is actually created wealth. Not only that, but the soil produces wealth that pays for the employment necessary to its production. These are the A B C's of economics, and no one who has studied the subject for a moment can fail to understand them.

The great problem before us to-day then, is to increase our population, and the only way in which that can be successfully done is by increasing our agricultural population. How are you going to do that? By making those who are already living on the soil industrious and contented. Now we get back to the basis of the whole theory that has brought this section of the House into parliament. I want to make the statement here that this is no sectional or narrow view: I honestly believe that the whole economic structure of our country is built upon an agricultural basis. I am not for a moment arguing that agriculture is everything in Canada. But let me say this: make agriculture prosperous and you will solve the problem we have before us.

The hon. member for St. Lawrence-St. George told us that the per capita wealth of western Canada was much greater than the per capita wealth of eastern Canada. Well, I am sorry the hon. gentleman was not in the House when the hon. member for East Edmonton (Mr. Bury) was speaking, because he told us about some farms of a few hundred acres on which there were mortgages, that the mortagees had never been able to pay off. There is something wrong in that line of reasoning. On the one hand they are unable to pay off the mortgages on those farms in the west, and on the other hand the west has a larger per capita wealth than the east.

Mr. CAHAN: We have some in the east as well.

Mr. FORKE: An hon. member asks me what about the people in the towns. I claim that if things are carried on as they ought to be in the west the people in the towns will be exactly in the same position. If there is more wealth in the cities than there is in the rural districts in western Canada it is because there is something economically wrong. That should not be the case.

I did not intend to make a speech when I rose, but I want to repeat that there is nothing in this scheme that is alarming, nothing that is going to saddle the country with very much additional debt. I do think, however, it will afford an opportunity for a class of people we have in western Canada, men who work by the day and gather up perhaps four or five hundred dollars in the harvest and threshing time, to get back to their quarter section, if they have one, and spend the winter months in improving and clearing that scrub land. Not only that, but such a man will be able to provide a home for his wife and his children. He may be able even to keep a certain number of chickens and a cow or two. I say there is nothing very alarming about the proposal. It will open up certain districts for settlement for a class of men who will not be able to undertake farming on a more ambitious scale.

Mr. HANNESSON: I understand the hon. member was president of the Union of Municipalities in Manitoba for some years, and has had experience in connection with the tying up of unpatented lands from a municipal point of view. How does he suggest that this scheme is going to help development in the western country?

Mr. FORKE: The situation cannot be any worse than it is, because these lands are not paying taxes now.

Mr. HANNESSON: Until the settlers get on them they do not, but the moment they do you increase the municipal expense without providing the municipality with any source of revenue.

Mr. FORKE: I do not see that there is any difficulty there, because if a man is settled on a quarter section of land and earning money at all the taxes on that character of land ought to be very low. The municipality would thus be in a safer position than if the land were lying idle and unoccupied.

Mr. DENIS (Joliette): I do not rise for the purpose of opposing the resolution, but I think the government should proceed very cautiously in this direction. The venture of lending money to settlers is not new in this country. A few years ago an act was passed under which moneys were loaned to returned soldiers. If I remember rightly that was done under the Soldier Settlement Act. I am speaking from memory now, but I think that under that act something like $100,000,000—the minister tells me $102,000,000—were loaned to returned soldiers. The wisdom of lending money to settlers was the same then as it is now, but at the time that act was passed the paramount argument was that returned soldiers had to be helped and that the country should be in a position to assume whatever risks such loans would entail. In my opinion that was the chief argument; that was the main reason. The government that promoted the legislation at that time should have been blamed very severely, because experience has proven that through this scheme of lending money to the settlers the country is losing each year enormous amounts of money. There is no question that out of the $100,000,000 that was loaned to soldiers a very large amount will never be collected and will be lost. I am not saying this by way of criticism, but I wish to point out that the venture of lending money to settlers is not new, and now that we have had the experience of one venture of the kind; now that we know the result which can be achieved by our lending money to settlers, I can hardly understand the wisdom of going into a new venture of making advances, not to soldiers, but to settlers generally—civilians. If one will make a study of these loans to returned soldiers, one may very well imagine that similar conditions will obtain under this loan. Soldiers have borrowed money, but after one, two or three years they found they could not continue on the land; they had to abandon their farms and go away, and some of the farms became practically worthless. Soldiers have borrowed money in some cases in excess of the value of the farm; of course that was the fault of the officials who recommended the loan. In many cases they have been unable to repay, and what are you going to do with them? Are you going to take their farms away from them? Are you going to bring actions in law against them? You can hardly do that. What I am saying with regard to the soldiers applies with greater force to the civilians. The same difficulties which have been encountered with soldiers will be encountered with civilians, and that is why I state that the wisdom of this legislation is faulty.

Mr. STEVENS: I wish to ask a question which I think would give us a little lead in this discussion. Will the minister indicate why it is desirable to have virtually a rural credit scheme of this kind, when the government are about to introduce legislation of a general character for rural credits? In my estimation this scheme, so far as it has merits, might very well be included in a general rural credit scheme. Why have the two?

Mr. STEWART (Edmonton): The rural credit scheme will be designed for the purpose of lending money to people who own their property. The ownership under the proposal we are considering rests in the crown and will remain in the crown until the loan is repaid. When I began to think about this matter I had the same idea as my hon. friend. I thought a combination of the two might work out, but it will be impossible to work it out, inasmuch as this is merely a loan to assist the man to get his farm under cultivation, earn his patent and get matters into shape so that he can take advantage of the rural credit scheme when he obtains the patent for the land. He may do what ninety-five per cent of the homesteaders in western Canada have done already. A few years ago when homesteaders earned their patents—and I think the hon. member for East Edmonton will bear me out in this—in ninety-nine cases out of one hundred they went to the mortgage company and arranged for a loan. They had some indebtedness; they paid it off and obtained a loan, generally about $800, sometimes paying eight per cent and sometimes nine. This scheme is for a different purpose; it is to lend them money on the progress they make in clearing up their land and making it of some value, to bring their homestead to a stage where perhaps they can get through with a very much smaller loan than they have had to negotiate in the past. That is the only difference between this scheme and rural credits.

In reply to the hon. member for East Edmonton, I have seen a great deal of what he has stated as having happened in the case of the homesteaders—not altogether in the case of the homesteaders, because he has reference to the secondary stage, in which there was a mortgage on the land, and of course the mortgage was a detriment to the new settler taking advantage of the scheme of purchase. It has always been so; it is true every day. These lands will remain in the crown, with a mortgage against them; why? Because it is better business to go back thirty miles from a railway and take up land, than to buy lands lying close to railway facilities or close to towns, and pay the claims that may be against them. Where the land remains in the crown, where it is subject to re-entry, if it is worth anything at all it does not remain very long in that position. I am not going to argue that in the case of the man who abandons his land, say having earned $500, the same condition will not apply. The new homesteader might rather take his chance on a homestead entirely free from encumbrance than one carrying a small mortgage with nine per cent interest attached.

I am not claiming that I have discovered anything new or striking about this matter, but I do claim that if judiciously applied, on reasonably good land, it will assist materially in the settlement of that land. Even in our province, in the newer territory back of Peace river, where you have a good climate and good open land, you can obtain all kinds of homesteads, but that entails expenditure of money for the construction of new railways. I have always been opposed to that; when in the provincial government of Alberta I did my best to discourage the spreading of settlement, because it entailed the building of roads and schools to serve sparse settlements over large areas of land. That has been our practical difficulty in western Canada ever since I knew it. I do hope the rural credit scheme will consolidate settlement where we have land privately owned in the hands of the people, or even in the hands of prospective purchasers, because we hope to settle 1,200 families from the Old Country on improved lands under the arrangement we have with the British government. These lands are all in the hands of the Soldier Settlement Board at the present time, and that may relieve the somewhat difficult situation there. The rural credit scheme will help the farmer who finds it difficult, at the present high rates of interest, to remain on his land. I am going to ask hon. members, in the next bill that comes up, to consider some provision for assistance to soldier settlers, many of whom at present find themselves in a very serious position, which will enable them to remain on their land. All these things are designed with a view to thickening up settlement, to using the railways for which we have already paid, and to assisting materially in building up the country itself. If the committee will allow this resolution to pass I will, having in mind some of the suggestions made by hon. gentlemen, have the bill amended in that respect before it is given its second reading.

Mr. HANSON: I asked the hon. member for Brandon a few moments ago to answer what seemed to be a very pertinent question in view of the remarks which he had just been extending towards members of parliament from eastern Canada. I invite his serious consideration of that question which I asked of him, and I invite him to reply to it on the floor of this House. But it is not for that purpose that I rise now. Dealing directly with the resolution which is now before the chair, and having regard to the remarks made by the hon. member for East Edmonton a few minutes ago, I should like to know the real purpose of this legislation. I may be obtuse; I may not know conditions in the west, but the real necessity for this legislation is not apparent to me and to a large number of other hon. members. Is it to take care of a situation which has arisen as a result of the soldier settlement scheme?

Mr. STEWART (Edmonton): No.

Mr. HANSON: Then what is it? In other words, to use the language of the hon. member for East Edmonton, what is the oblique influence behind this legislation causing this government to embark on a money-lending scheme? I take it that it is sound governmental practice for a government to keep out of the money-lending business. We have done altogether too much of it in Canada; we are paying the piper to-day and posterity will pay the piper to-morrow.

There is another feature in connection with this contemplated settlement of crown lands in the provinces. I do not know what the practice is in the older provinces of Ontario and Quebec, but I do know something about the practice in New Brunswick. They have a system of settlement of crown lands in that province under what is known as the Labour Act. A would-be settler on crown lands goes in and makes his clearance. He is given practically as many years as he likes, but he must clear and cultivate ten acres and erect a building on it. When he does that he is entitled to a free grant of 160 acres of land, but until he does that he gets no patent. The process is a long, slow one, because most of that land is heavily timbered and it costs not $20 but $50 or $100 an acre to clear it. The would-be settler does this work at odd times, for instance in the spring of the year. He burns what he calls his fallow and he clears it up gradually while he is doing other work.

Has the minister consulted members of the provincial governments in regard to this scheme? Does he think it will be taken advantage of by any of the older provinces? I do not think for a minute it will be of the slightest advantage to any single province in eastern Canada, but with all due respect to the opinion of the hon. member for Brandon I think we shall pay the major part of the bill. I would not object to that so much if there was any real foundation for the belief that it would be a success, because I realize, as most men do who have been in this House for any number of years, that we must get more people on the land in Canada and make it profitable for them to stay there. I know that in the older parts of Canada there are many fertile farms which might be peopled with good settlers if they had some form of proper assistance. This is not the class of scheme that will bring about that result.

What is the expert opinion of the Minister of Agriculture (Mr. Motherwell)? He is never very slow to give us the benefit of his advice. Has he examined into this scheme? What has he to say about it? I cannot conscientiously vote for this scheme unless I find that it has his imprimatur, and I invite him now to get up and give us the benefit of his views, having regard not only to the three prairie provinces, including the one which he represents, but to the other great provinces of this Dominion, the new provinces as well as the old ones. Let us hear from the Minister of Agriculture.

Mr. MOTHERWELL: I could not resist such a pressing invitation to say something on this subject although I thought it was receiving ample attention from the various members of the House. The committee will recall that during the last four years this government has been subject to a great deal of adverse criticism by my hon. friends opposite and their press because we were not doing something to promote immigration to Canada. As a matter of fact it was said that the number of immigrants was getting less and that apparently not very much was being done. In 1920, immediately after the close of the war, there was a tremendous deflation in agricultural prices and this rendered agriculture for a number of years quite unprofitable to those who were here and well established. The years 1921, 1922 and 1923 particularly were years of loss and in some cases of disaster to many farmers in Canada, although perhaps they were no worse off, if not better off, than farmers in other countries. But it was not a good time to take a forward step in promoting immigration to this country, for the simple reason that immigrants would experience tremendous dif-

9 p.m.

ficulty in getting established under the conditions that prevailed during those three years. Since then conditions have changed; prices have got better, and we have experienced two or three good crops. That, accompanied by good management and thrift on the part of the farmers themselves, has brought about better financial conditions amongst the farmers generally. That, in turn, has had its effect on immigration; prospective immigrants in larger numbers are desirous of coming to our shores, and the government feels justified at this time in encouraging them to come because conditions are such that they should be able to make a success. That is briefly why we are taking an advanced step at this time as against not taking it in 1921. At that time it would have been unfortunate to place on the land people with practically no money and, expect them to make good under conditions under which old settlers, well established, found it difficult to succeed. Judging from the criticism of some hon. members one would think that this is a radical departure. It is not. For the last forty years we have given some form of assistance to homesteaders, especially in the west; not of this nature, it is true, but after they got on their homesteads how many times has seed grain been given to them, as well as fodder for their animals and food for themselves, in addition to loans of one description and another? That is no new thing.

Mr. HANSON: That assistance was not part of a settlement scheme; it was given to meet abnormal conditions.

Mr. MOTHERWELL: Let me go back further than that. A hundred years ago the government assisted settlers to establish themselves in the woods of Ontario and other parts of Canada, the assistance taking the form of loans, equipment and tools. Quite frequently those loans were wiped off to still further encourage the settlers. In a word, it was found necessary in order to encourage settlement to give some form of assistance that settlers might establish themselves in this new land. Surely that was good work, Mr. Chairman. From that day down to this some form of assistance has been held out to settlers to establish themselves on the land. To-day, even if you give the maximum loan under this resolution, it is not as much of an attraction as the governments of Canada have been holding out for the last thirty or forty years in the form of free homesteads on the open plain. Such a homestead as used to be available fifteen or twenty years ago was worth more as a drawing card for settlers than the average homestead of to-day plus the maximum loan under this bill.

I submit, Mr. Chairman, no scheme can be evolved that is not subject to some form of criticism. The right hon. leader of the opposition was true to himself to-day as he pictured the gall and wormwood of disappointment that would follow when we tried to collect the loans to be granted under this scheme. No lending scheme either by a private individual or by a government has been carried out without some loss; that is inevitable. Now, are we to refrain from encouraging settlement on our vacant lands because there is a possibility of some of the loans not being repaid? No. I think the time is ripe when we should go forward and endeavour to people the great waste spaces in western Canada and other parts of the Dominion. Those who are likely to come to Canada at this time are not men of extensive means. If they have substantial means I fancy they are not going to embark on farming just yet; there are other attractions. Consequently our settlers will be men of limited means. The first step the government took under the Minister of the Interior to promote this forward movement was in the reduction of the ocean and railway transportation rates for settlers. It now costs three pounds sterling to land them at Halifax as against at least twice that much in former years. The next step is to hold out a drawing card that will attract them just as a good plains homestead did twenty or twenty-five years ago. Naturally risks will have to be taken in connection with this work. Such security as is available will be taken, but with this difference from an ordinary loan, that the money will not be paid out to the settler until it is warranted by his having established himself on the land, that is by building a home, digging a well, and so on, in order to enable him to go on his farm with his family. It is well known that few men went out to the west with anything but the clothes on their back and a keen desire to work. Ordinarily those men were not able to bring out their families for two or three years. Under this scheme a settler will be able to put up his shack and stable and bring out his family without delay,—and farming is a pretty slavish uphill business to a man struggling along alone.

Mr. MEIGHEN: How will he bring his family out when he gets his loan only on the security of the improvements he has made?

Mr. MOTHERWELL: There is one thing sure, he will be able to bring them out sooner as a result of the loan. And what is more, the very fact that he is able to stay on his homestead and put up his house without having to go out to work and earn the money is surely in his favour.

Mr. BURY: How can he use the money to put up his house and make his improvements if he does not get his loan until those improvements are all made?

Mr. MOTHERWELL: Now, Mr. Chairman, the lawyers can quibble and squirm about this all they like but I have gone through it all.

Mr. BURY: Will the hon. minister tell me just exactly how it can be done because it will be worth money.

Mr. MOTHERWELL: I know it can be done, it has been done and it will be done better with a little aid than without any.

Mr. BURY: Will the hon. minister tell me how to do it?

Mr. MOTHERWELL: Well, as I listened to my hon. friend describe the emaciated condition of his own clients, I was thinking that his speech would not help to bring any immigrants to Canada. As a matter of fact, Mr. Chairman, if our friends opposite would just realize that their gloomy forebodings will counteract the effects of all our aid,—

Some hon. MEMBERS: Oh, oh.

Mr. MOTHERWELL: That is the fact. Certainly any prospective immigrant will be discouraged who may have the bad fortune to read the dispiriting speeches by my hon. friends opposite that the loans under this proposal will be squandered by the settlers and only a few ruins be left on the prairie to mark where once houses and stables stood. If my hon. friends think that their gloomy talk will promote land settlement, I do not agree with them. I think the time has come when we should discuss this question from the standpoint of actually promoting the settlement of our vacant lands.

I notice there is a tendency to take the ground that what our people want is work. Will any homesteader in this chamber tell me any better way of giving a man work than by putting him on a homestead? Did you ever see a farmer or a homesteader out of a job? I never did. My hon. friend from West Calgary (Mr. Bennett) and another hon. member, I think my friend from St. Lawrence-St. George (Mr. Cahan), put it very nicely when they suggested that what we wanted was industry. Well, that gets us back to the old question of protection. Now, I wonder, Mr. Chairman, if the early British settlers who were brought out here shortly after the Napoleonic wars found industries established here? Did the British government first attempt to establish industries in this part of the world, or was not their primary anxiety to get settlers on the land, which would eventually necessitate the establishing of industries to supply their various requirements?

Mr. BENNETT: The minister knows they had protection.

Mr. MOTHERWELL: It is simply putting the cart before the horse. Industries came later. And so to-day we must first get men on the land, and then the supplying of their needs will necessitate the establishment of more industries or the speeding up of those we already have. Consequently work must come at the beginning, because the man on a homestead is never known to be out of a job; industries will come later.

I think the Minister of the Interior is working along right lines. This is a modest beginning. I can understand my right hon. friend the leader of the opposition being somewhat wary of even these small loans, because he has gone through the somewhat excruciating experience associated with the soldier settlement scheme which I think he was partly responsible for. I do not want to criticize that scheme severely, because it was undertaken with the best intention to be kind to the soldiers; but it loaded them up with debts running from $5,000 to $7,000. Those of us on the prairies had misgivings, and I stated mine to the gentleman who had charge of the board and who seemed to agree with me. I said I thought it was better to go slow rather than to go head over heels into debt; I did not think that more than one out of three or four of the soldiers who got these large loans would ever be able to extricate themselves from their indebtedness. Unfortunately that has come true, and we must be wary about any proposal of the kind. But under the present scheme the largest loan will be $1,000, and under proper administration, as I am sure this will be, very few will take advantage of the maximum loan. The British settlers under this arrangement will dovetail into the empire settlement scheme. Settlers from Great Britain eligible for the $500 loan will come under the provisions of that scheme, and that is one great advantage of this pro-

posal. The others will be immigrants of various extraction, many of whom will not require any loans at all. Probably a good many of them will never make any application, for they will homestead very economically. If there is no timber they will put up a sod shack, as I have seen done. I live in a neighbourhood adjoining a town called Lemberg, and from the name one can form an idea of the origin and character of the settlers. I saw them go in there thirty years ago, and all the shelter they had was a teepee of willows tied at the top with a withe, Indian-fashion. That was the only house they had, and a little later they put up a sod shack. They progressed as time went on, and to-day the settlement is one of the most prosperous in Saskatchewan. They have fine houses with all modern conveniences, such as the telephone, and many of them have radios. They are largely out of debt into the bargain.

One of the greatest, I was almost going to say curses, to agriculture, in the prairies at any rate, has been too indiscriminate a tendency on the part of the people to go into debt. Formerly they would quarrel with the mortgage companies if they could not get another thousand added to the burden they already carried. That day has passed. We are getting away from that condition, and I hope there will not be a repetition of that orgy of reckless borrowing. Moderate borrowing is a blessing, for it can be controlled. But excessive borrowing has ruined agriculture in many instances, and to-day we are suffering from that curse.

Now, the moderate loans suggested in this proposal will have this effect, at least, of bringing people to a realization of what it means to pay back even a small amount. They will have to pay back the first loan before they can put on a second mortgage. This will be the means of steadying the borrower, so that he will not be overburdened with a debt which he will find it impossible to discharge. That is one incidental advantage in the scheme. I see the hon. member for St. Lawrence-St. George smiling. Let me assure him that I am not advancing any arguments; I am simply stating what I know to be a fact. I know quite well that fifteen years or so ago, men unwittingly drifted into debt to such an enormous extent that they found themselves unable afterwards to meet their obligations, and they did this under the delusion that by some turn of fortune they would be enabled to wipe out their indebtedness. They find today, however, that only by the sweat of their brow in a fearfully arduous task will they ever be able to pay their debts. The beginning under this system will be modest, and, as I have said, there will be many who will probably require no assistance at all.

Some hon. MEMBERS: Oh, oh.

Mr. MOTHERWELL: I see my hon friend (Mr. Hanson) laughing; I can understand his doing so. This is Greek to him.

Mr. HANSON: I want to assure the minister that I was not laughing at him.

Mr. MOTHERWELL: I do not want to be uncomplimentary, but I do not expect my hon. friend to understand a word of what I am saying.

Mr. HANSON: I protest I was not laughing at the minister at all. I was laughing at something that was said over here.

Mr. MOTHERWELL: I could not understand anything about an involved technical constitutional question; I should be just as ignorant of such a subject as the hon. member is of the matter I am now discussing. Now, Mr. Chairman, I think I have covered the field pretty well.

Some hon. MEMBERS: Go on.

Mr. MOTHERWELL: Oh, no. I have got through and I think it is time to quit.

Mr. EDWARDS (Frontenac): I do not want to take up much time, but I am in doubt as to where the government stands on this matter. I believe there is an understanding between the main wing of the Liberal party and the minor wing to my left in regard to all legislation brought into the House, and I presume that under that arrangement this subject has been duly submitted at least to the member for Brandon, the leader of the Progressive party in this House. But my understanding of what has been said by the Minister of the Interior, so beautifully amplified and clarified by the Minister of Agriculture, is entirely different from my understanding of the remarks of the hon. member for Brandon. If I have followed the Minister of the Interior correctly, the idea of the scheme is to put men on the land to work it and become farmers on their own account. No, says the member for Brandon, that is not the idea at all. He does not expect that this splendid scheme, which he endorses thoroughly, will result in many people going on the land. The hon. member for Brandon tells us that if they do go on the land they will spend their time working for other farmers. In other words, the building which they will put up on the

land they acquire will be merely the place they will live in. They are not going to work their own land themselves. These people, according to the hon. member, will keep two or three cows and a few chickens, and while they work out for other farmers the family at home, the good wife and the children, will look after these cows and chickens. That is the way they are going to make their money.

Well, that brings us to the point of the special appeal that will be made in propaganda, disseminated throughout the world, to induce settlers to come in and take up land under this proposal. The government, backed up by the member for Brandon, will send out literature, calling attention to the splendid opportunity offering for men to come to this country to settle upon the land. And the hon. member for Brandon will add to that advertisement a little explanation as to the splendid wealth immigrants will amass from raising chickens and keeping two or three cows. He will point out that under this government's policy intending immigrants will be able to produce eggs and sell them in competition with eggs coming from Australia and New Zealand free of duty, or with eggs imported from China, or from the United States under a duty of three cents a dozen. He will make that perfectly clear to them, and it will be a strong inducement to them to come in and take up land. I suppose he will go on to point out the opportunities for acquiring ready cash and becoming rich which will be afforded by the production of butter in competition with butter coming in from Australia and New Zealand at a cent a pound. All this will be quite attractive, and it will undoubtedly draw thousands of people to this country. My hon. friend from Brandon will be there waiting with a smile to convince the immigrants when they come that the way to get rich in this country in farming is that provided by the policy which he has followed, the policy of buying everything which the farmers require at protected prices and selling in competition with the whole world without any protection whatever. That is his idea of the way to make them prosper in this country. The minister informs us that he expects to get people to settle on the land under this plan. The hon. member for Brandon says: I am heart and soul behind this proposition; it is a good thing, but I do not expect very many people will take advantage of it. His position, it seems to me, is absolutely illogical and absolutely unreasonable. I think that a good deal can be said in favour of trying to fill up the places which have been vacated in the older settled parts of the country; that is something we might very well attend to. But if you are going to encourage people to stay on the land you must give those who do stay a square deal in regard to the selling of their products. That this government is not disposed to do, and I do not suppose ever will do, so long as it submits to the advice, not to say dictation, of the hon. member for Brandon.

[Mr. J. W. Edwards.]

Mr. McLEAN (Melfort): Before the House rose for dinner, I was very much interested in listening to the very fair and reasonable criticisms particularly of the hon. member for West Calgary and the right hon. leader of the opposition. The hon. member for West Calgary saw certain dangers in this proposition as it is now drafted, and suggested that care would have to be taken, that possibly it would be well to cut down the amount of money that would be available at least for the first year, and that other safeguards of that kind should be provided. The minister immediately agreed to that, and I think it was well that he did so. I think the debate before six o'clock was eminently reasonable, but listening to the skilled agriculturists who have been speaking recently, and lecturing the farmers of Manitoba on how and how not to do things on their land, it seems to me the tone of the debate has changed since dinner.

A good many criticisms have been offered during the course of the debate, some of them reasonable and some otherwise. Much has been made of the extensive losses incurred under the Soldier Settlement Board, and it has been suggested that if such losses were incurred under the direction of that Board, equally great losses in proportion would be incurred under this scheme. I do not agree. The Soldier Settlement Board started to function at a time when prices were at the peak of inflation, and they had to function at first with men who had not been trained to their jobs. I am not blaming them for that, because no doubt they got the best men available, but, of course, they made mistakes, and largely through the mistakes they made were they able to learn. The soldier settlers who went on the land in the first flush of their return home, after having been overseas for so many years, were naturally anxious to get out of uniform and to go on the land, and perhaps they took land that did not appeal to them, and at prices and on terms that were not altogether satisfactory to them, but they were so anxious to get away from military life and regulations, so glad to be their own masters once again, that many took chances

that a few years later they would not have taken. Under those circumstances, with so many of these men heavily handicapped in taking up land at the time they did, the wonder to me, Mr. Chairman, is not that some of the soldier settlers did not make good, not that so much money has been lost, but that so many of them have made good in spite of the handicaps they were under. They were placed on land which was sold at high prices, and they stayed on the land during those years when times were not good even for the best of farmers, for men who had been on the land right along and had their equipment pretty well paid for and were off to a good start, but who have found it difficult financing in the past few years, commencing with the break in the price of wheat in 1920, and continuing for a few years thereafter. Yet the soldiers who bought their land at high prices have in large numbers and in many districts stayed on the land, battled with their problems, and are to-day coming out on the right side. Many men were placed on crown lands at a distance from the railway, in settlements where there were no roads, no schools, no facilities, and no medical care for long distances, and yet a great percentage of these men have stayed with the game and are winning out. If they were able to do that without the aid of the very skilful organization which has been built up since, and which has got more careful and more skilful as time went on, it stands to reason that a settler going on crown lands to-day, with whatever help from this organization is necessary in the way of advice and inspection of his land before and after he makes his improvements, has a much better chance of success than those who bought land at the peak prices a few years ago. In view of the very different conditions, I do not think it is fair to compare the failures under the soldier settlement scheme with what some hon. gentlemen think might happen under this scheme.

I have been struck with this thought, that the hon. gentlemen who criticized this scheme before dinner, very reasonably and fairly, were men who know the Dominion of Canada as a whole. The eminent farmers opposite who have criticized the scheme since dinner do not, I think, know the Dominion as well as their leaders who spoke before them. There is much good land running right across northern Canada, from Quebec west. I am not speaking of the Maritime provinces because I do not claim to know so much about them. I have running through my mind the words of an old Gaelic song written by a pioneer in the Maritime provinces, near Barney's river, in Nova Scotia. I do not know where Barney's river is; all I know about the place is what the song told me. This settler was afraid that before the trees were uprooted the strength would be gone out of his arm, that his back would be bowed before he could bring his land under cultivation and his children were able to make a living. I think that was a reasonable fear. The hon. member for York-Sunbury admitted a little while ago that in New Brunswick it is a slow process getting these lands cleared.

As I said a moment ago, there is much good land across northern Canada, in Quebec, Ontario, Manitoba, Alberta and Saskatchewan, but it is a slow and a hard jub clearing these lands. But the land is good. Some hon. members seem to be under the misapprehension that this is second-class land. In many cases it is the very best of land, and it is because of the climatic conditions and the very fact that these lands were good for raising a crop that they have been left vacant so long. The crops having grown so strongly and vigorously, the land was not as easily put into another crop as would be the case in the drier districts in the prairie provinces, and so we find that much of the best land has been left to the last because of the crop of timber that has grown upon it. That good land stretches across five provinces, and it is to speed up the work of clearing this land, which the hon. member for York-Sunbury admitted was a slow job, that these proposed loans are being made.

Mr. FOSTER: How are these loans going to speed up the clearing of land?

Mr. McLEAN (Melfort): Suppose I go on to a vacant piece of land in northern Ontario to-day, having in my possession fifty or a hundred dollars. I could not go very far in clearing land with that amount of money. Under this scheme I know that by the time I spend $50 or $100 in clearing land, erecting buildings, ditching, or doing whatever that particular piece of land happens to need, the services of the homestead inspector, or such officer of the department as is detailed for the duty, will be available. Now, these officers of the department are passing through the new districts in the course of their usual occupation; special trips would not be necessary all the time and therefore no great additional expense would be entailed on this account. Well, we will say that I have gone on the land and exhausted my $100. Then I apply for an inspection of the

improvements. The officer comes there and sees that I have given value for the $100 or $150 as the case may be. In the course of a little time I get a warrant as a result of which that money is refunded to me. I then go ahead and use that money over again; it is a sort of perambulating fund. I take it that is the principle of the bill.

An hon. MEMBER: That is not in the bill.

Mr. McLEAN (Melfort): That may be, but I think there is nothing in the bill to justify the conclusion that it is not the main principle involved.

Mr. McMILLAN: We have not got the bill. We only have the resolution on which the bill will be drafted.

Mr. STEWART (Edmonton): I am trying to get the bill before the House.

Mr. McLEAN (Melfort): We are considering a resolution, and after it has been adopted the bill will be placed before the House. The situation, as I see it, is this: that a man coming along with a little money would be allowed to spend that money on improvements, but it would be refunded to him as he spent it from time to time. We pay him for what he does until he comes to the limit of his loan, either $1,000 or $500. That was the system employed in connection with the settlement of the land by soldier settlers. Under the Soldier Settlement Act the settler would go to the supervisor and say he wanted to sink a well, or put up a barn or a house, or carry out some other improvements. The supervisor, from his knowledge of local conditions and of the settler himself, could say, "All right, we will give you authority to do that . Then the settler would go ahead, breaking the land and carrying out other improvements, and so was able to make progress even under the handicaps from which he suffered.

One criticism was made, I think by the hon. member for East Edmonton. He said there was much land that could be bought cheaper than other lands could be homesteaded and cultivated. That is partly true, but if a man does not have money to buy a piece of land even if the land is cheap, he is subjected to a load of debt, and the accumulated charges are going to handicap him a great deal. Many a man would prefer to take a piece of land that would be hard to clear as long as that land was all right otherwise. He would prefer to wait a little while longer so as to keep out of debt as much as possible and finally get a clear title to it much sooner. In the case of a piece of land out in the open prairie the value might be $25 an acre. Well, that would be $4,000 for a quarter section, and the interest on it at nine per cent would be $360 a year, or a dollar for every day he was on it. Many men would prefer to go on a piece of raw land if it can be got from the Dominion for an entry fee of $10, and spend their time breaking and preparing it. In that case they would be able to establish a home at much less cost in cash than in the case of the land indicated by the hon. member for East Edmonton.

The criticism has been made that a settler would only have a home on such a piece of land. That is the greatest thing any citizen could have. There is no person coming from another country who would not be glad to have a home, accompanied by security of tenure in that home. In my opinion, and it is also the opinion of very many men more experienced than I am, if the people of Canada would do more to make real permanent homes for themselves and not be quite so anxious in the early years to make money they would get along in the world faster and go farther. That is the consensus of opinion among farmers to-day in the west, and I believe it is the reason why there is so much less credit being used; many people are satisfied to proceed a little more slowly and pay their way as they go.

The criticism has also been made that if this form of aid to settlement goes through assistance ought to be granted to men wishing to go into industry or business. Well, there is this difference between the two sets of cases in my opinion—that wherever there is a business opening, whether it is a retail store, a factory, a brokerage business, or anything else of that kind—plenty of applicants will be found ready to take advantage of the opportunity. Government assistance is not necessary in order to get a new business of that kind established on a small scale. But when it comes to clearing these rougher lands of good quality, it cannot be reiterated too often that the state should do any little thing it can to make the process of settlement and home establishment speedier. Any steps of that character are proper steps, provided that due precautions are adopted in taking them.

The principle embodied in this resolution is not a new one. Scores of years ago the early settlers who came into Ontario were given assistance in the way of grubstakes, tools and other aids of that kind. The same thing was probably done in the Maritime provinces; certainly it was done in Ontario and, I think, in Quebec. Very little assistance

of this character has been given in western Canada. Much criticism has been heard in past years in Canada in regard to the government doing such and so for men who came from other lands, whereas nothing was done for our own people, and the argument was advanced, "You have us here, but you will not do anything for us. You offer inducements to outsiders to come here." I think we are justified in giving perhaps a little bit more of assistance to our own citizens when they wish to go on the land. We have seen that when lands in the open prairie ceased to be free, men who wanted lands went into the more northerly districts where the land was harder to clear and kept plugging away, with the result that in a few years they had brought more land under cultivation than some of the older provinces have altogether. There will always be a market for foodstuffs. No nation ever had to go to war to sell its foodstuffs. Nations have to do many things to sell their manufactured goods; and much trouble has been wrought in the world by nations hunting for new markets. I do not think you will ever find an instance recorded where nations had to go to war to force their foodstuffs on an unwilling people.

The country is labouring under a great tremendous debt, and there is only one reasonable way in which this debt can be paid off, namely, by increasingly making use of the natural resources and raw materials of the country—developing them and selling them on the world's market. Sometimes in the spring of the year a gardener or farmer will sow seeds in a hotbed and when the plants get old enough to be able to stand out in the open they are immediately moved out there. It often saves time and speeds up the process of growing vegetables to do that; but no vegetable grower or farmer will leave those seeds in the hotbed and expect that they will mature there and reach a profitable or useful growth. By giving a little assistance to new settlers, as well as to old settlers in the country, you will bring these newer lands to which I have referred under cultivation. This will be a good thing for the people who go on these lands and for the Dominion, and will help materially in producing the extra wealth which this country needs to carry its present load. It will also make for greater development all round—greater development for business men and for manufacturers, as well as for the farmers themselves. I feel that this scheme should apply particularly to the five provinces I have named, as well as British Columbia. I am not so familiar with the natural resources or the vacant lands of the Maritime provinces, but if there is any way in which they can be put to better use than at present, personally I am in favour of it, and I think everyone else on this side of the House would take the same view.

Mr. FOSTER: If this resolution upon which the bill is to be founded had for its object the assisting of settlers to clear land in the areas which I indicated some time ago, there might be something to be said in its favour. I have listened to the debate and have asked one or two questions in an attempt to find out in what way the settler could secure assistance for the clearing of his land through this particular resolution or the bill which is subsequently to be founded upon it. Frankly I have been disappointed in not being able to secure that information. The hon. member for Brandon said that the settler would work at harvest and threshing in the summer and spend the winter on the homestead. What will he do in the winter on these lands? Will he cut pulpwood? I tried to find out from the minister just after dinner where these lands were, what class of lands they were, and whether or not those in Saskatchewan or the prairie provinces were heavily timbered. If the lands in British Columbia along the existing lines of railway are proposed to be cleared, I may tell the committee that the cost of clearing them will run from $100 an acre up, and the settler will have to expend a large amount of money before he can get the loan at all. If you take sections of Saskatchewan, Alberta and Manitoba, particularly the northern sections along the branch lines of the Canadian National railway and some portions of the Canadian Pacific railway, you will find that while you have not so much of the heavy timber, you have a considerable portion of it. You have some very good land, I have no doubt, but you will have to pay for the clearing of it. If the location of these lands is where my recollection tells me they are and where the minister indicates they are, it will cost in some cases not $5 an acre but close to $15 an acre, and perhaps even more. I think the minister, who knows the situation, will bear me out in that statement. In the case of the settler coming in there without any money, the labourer working for wages on farms in the west, how is it possible for him to clear that land at a cost of $10, $12 or $15 an acre, build his home, and in general place himself in a position to avail himself of this loan within a year, or, as the hon. minister says, within two years or three years?

Mr. BENNETT: Those men will not apply for it.

Mr. FOSTER: That being so, who will apply?

Mr. BENNETT: The men who are on the prairies, the people from England who under this scheme are coming over, assisted by a grant from the Empire Settlement League, supplemented by the small amount from this government, to improve the land.

Mr. FOSTER: If the men coming from the Old Country to settle on that class of land are advanced $1,500 from the Empire Settlement League and $500 from this government—

Mr. STEWART (Edmonton): I am sorry to have to correct my hon. friend.

Mr. FOSTER: I want to be corrected.

Mr. STEWART (Edmonton): Surely my hon. friend, if he has been in the House this afternoon, could not have misunderstood the statements made by myself and others who spoke on this subject. The bill does not pretend to deal with the arrangement for the 3,000 families in respect of which the $1,500 is paid. This is for the purpose of settling lands contiguous to the existing railway that are not the heavily timbered lands, but cost $30 and $40 an acre to clear. My hon. friend knows that thousands of acres of land have been passed up so far that do not cost anything like that to clear. The settler himself, by his own labour and by what we are proposing to do to help him, can acquire the land and it will not cost him anything like that to clear it. If my hon. friend knows western conditions he knows that many of the Scandinavian race have cleared up similar lands; they preferred those lands, I may say, and have cleared them up without assistance. I have known them to go on the lands without a single dollar and make a success of it. It was a slow process, but they have done it, and a little help would have been of very great assistance to them.

Mr. FOSTER: The minister has not shown me where—

Mr. STEWART (Edmonton): Does the hon. member want me to explain further? When the settler builds his primitive log home, it is of some value, my hon. friend will admit.

Mr. FOSTER: Yes.

[Mr. Foster.]

Mr. STEWART (Edmonton): If the improvement is worth $100 he will be advanced $100. Suppose he clears up five acres of land; in accordance with the value of the improvement of the land, if he is a Canadian, he will receive an advance up to a maximum of $1,000; if he comes from a foreign country he will be given an advance of $500. As he progresses in erecting buildings and making improvements on the land further advances will be made to him. That is the only method that is being adopted here.

Mr. FOSTER: Where is that set forth in the resolution?

Mr. STEWART (Edmonton): It will not be set forth in the bill except in a general way. The resolution is merely what the Clerk of the House takes from the bill itself as an explanation of what the bill purports to be. There are many things in the bill that are not in the resolution, and this discussion might more properly come under the bill itself when hon. members have it before them. As I promised my hon. friend from West Calgary, I am going to suggest some amendments to the bill when it comes down and we will undoubtedly have a good deal of discussion on it. I am trying to get the bill before the House.

Mr. FOSTER: The situation is a little clearer now. It may be that I missed some of the statements of the minister this afternoon; I was busy at some other work. With anything that this government or any other government in Canada undertakes for the benefit of settling this country I am in hearty accord, and I do not want any misunderstanding about that. I know something of the difficulties in securing settlers to go into the various parts of Canada and something of the difficulties they meet with after they get there. If this legislation is designed to assist those people to go on the land and to help them from the start, it has some value and I am willing to be fair and to admit that. But if the settler has to go through all this laboured effort before he can avail himself of this money—and that is the way I understood the matter prior to the explanation just made—I can see very little benefit arising from it. The minister will probably tell us a little later on exactly what is to be done and I shall reserve some further remarks for another occasion. I think he said that 1,600,000 acres had been examined and approved as being land upon which settlers could reasonably be expected to succeed. If the provisions of this bill are taken advantage of to its full extent, an amount of $5,000,000 would take care, at $1,000 apiece,

of only 5,000 people, whereas 1,600,000 acres on the basis of a quarter section to each one will offer opportunities to at least 10,000 people. So, if the minister treats everyone alike, he will have to have at least $10,000,000 for this proposition, the other $5,000,000 coming at a later date.

There is another feature of this proposition that is not quite clear to me, and I am following it as closely as I can, because while we from the Maritime provinces desire to assist the people from the west in the development of that great western heritage in which we claim to have some interest, at the same time we are here as representatives of the eastern part of Canada in the capacity not only of looking after that part, but of seeing that the treasury of Canada is protected so far as our humble efforts will permit, and of seeing also that we are not taxed unduly for the development of one section in connection with matters in which the whole country cannot participate. While this resolution indicates that the bill to be founded upon it and the provisions thereof will be applicable to the whole of Canada, I fail to see how Nova Scotia can take advantage of it. We have no crown lands, so far as I know, that are available for settlement, and certainly we have no funds in the provincial treasury without resorting to extraordinarily heavy taxation, with which the government may go out and buy lands in order that this provision should apply. Therefore, we may reasonably expect no benefit at all from this legislation save that larger benefit which comes from the upbuilding of Canada.

The people of the eastern section of this country are getting pretty well "fed up" on a programme involving $3,000,000 now, $5,000,000 a little later, and $25,000,000 in connection with another transaction, in all $100,000,000 within the next six or seven months or a year, for expenditures in other parts of the country on matters in which the eastern part of Canada will not participate to any great extent. The committee will, I think, agree that in presenting our demands we have been very moderate and very fair. We have asked hon. members and the country to deal with us in the same spirit of fairness that we have shown towards other portions of Canada. As regards the demands we made in the early part of this session we have not heard anybody say that the country was able to assume obligations amounting to even $10,000 to assist in the relief of starving people in Nova Scotia, although in connection with the bill which is to be founded upon this resolution, we can calmly vote $5,000,000 to be expended in the prairie provinces.

Mr. SPENCER: The hon. member stated that the government was being committed to an expenditure of $75,000,000 or $100,000,000. Where are those commitments being made?

Mr. FOSTER: It is a little difficult of course to tell exactly.

Some hon. MEMBERS: Oh, oh.

Mr. FOSTER: My hon. friends need not laugh. They have a habit of laughing when anything is said in the House as if that were the only function which they had to perform. As a matter of fact if the bill on rural credits is to be of any value at all I have no doubt the amount will have to be at least $25,000,000 or $30,000,000.

Mr. SPENCER: That is not a direct loan.

Mr. FOSTER: I did not mention direct loans. I said that we were voting obligations and commitments in this House to the extent of over $100,000,000. There is the Hudson Bay railway proposition for which there is an item of $3,000,000 in the estimates. If that is brought to a conclusion it will cost $50,000,000 or more, and it is to be done forthwith. Those are two items. The old age pension proposition will involve a sum amounting to $25,000,000 or $28,000,000 as a basis according to the report of a committee of this House.

Mr. YOUNG (Weyburn): Is it all going to the west?

Mr. FOSTER: I would not say so, but a considerable portion of it will go there. In the opinion of many people legislation of that sort could be postponed for a year or two until we reduce our taxation and increase the production of wealth in this country. But we have it at this session of parliament, why? Because it is the price of office, not the price of power. It is one of the prices that the government is putting upon the taxpayers of this country for the privilege of retaining office.

Mr. McLEAN (Melfort): Is it not possible that some of it will go to the starving people the hon. member spoke of a moment or two ago?

Mr. FOSTER: They are able and anxious to work. All they want is an opportunity to work. Does my hon. friend wish to ask any more questions?

Mr. YOUNG (Weyburn): Do they ever grow old?

Mr. FOSTER: Yes, some of them reach seventy years of age, when they would be entitled to take advantage of the bill which

has been announced to the country. But most of the people of the east are sufficiently thrifty to enable them to take care of themselves when they arrive at that age.

Mr. HEAPS: If they are able to take care of themselves, does the hon. member not know they will not require the old age pension and so will be no burden on the country?

Mr. FOSTER: I said just a moment ago that we had to differentiate in regard to where these people live. The hon. member will appreciate, I am sure, that when this House and this country put a premium on inactivity and lack of thrift we shall have conditions much the same as they are in the Old Country, where they have a dole system and cannot get rid of it. He knows that as well as anybody else in this House.

Mr. HEAPS: There is no dole system in the Old Country.

The CHAIRMAN: I think we had better get back to the resolution.

Mr. FOSTER: I will in a moment, but when I am interrupted by such statements as the last it is a little difficult to come back gracefully. I have pointed out to 10 p.m. my hon. friend that these commitments will reach in the neighbourhood of $100,000,000. When we hear rumours throughout the country that one part of this government was willing to assist the Maritime provinces, and particularly Nova Scotia, in the matter I mentioned a moment ago, and another part of the government would not listen to that, we must conclude only that it was for the purpose of playing a little cheap party politics.

Mr. MACKENZIE KING: My hon. friend has alluded to the government. Will he kindly indicate the source of the rumour?

Mr. FOSTER: It would be difficult to do that.

Mr. MACKENZIE KING: I thought so.

Mr. FOSTER: I may tell my right hon. friend that we pressed the case in his absence in this House, as he knows very well, and we pressed it hard. It was a reasonable case and the statements of the Minister of the Interior would indicate that his heart was with us, but we have not been able to get anything practical done. So we have to conclude that some pressure must have been brought upon the rest of the government which prevented action being taken. I think that is a fair conclusion for one to come to in view of the fact that nothing has been done of a practical nature to relieve the actual distress that I have referred to.

Mr. STEWART (Edmonton): I think my hon. friend is under a misapprehension, because as a matter of fact I understand the provincial government have made advances to relieve the distress, and of course under the arrangement this government will have to make its contribution.

Mr. FOSTER: Well, Mr. Chairman, I am not to be sidetracked in that way.

Mr. STEWART (Edmonton): I am simply stating what really happened.

Mr. FOSTER: I quite understand that the provincial government and our people have beggared themselves in an endeavour to assist the miners in an emergency which was not of their own making altogether, though partly it may have been. But the fact remains that we asked this government for its good offices to attain an object which meant nothing more than a charge upon the country of $15,000. We are unable to get that assistance. Now we are asked to vote $5,000,000 for one section of the country.

Mr. STEWART (Edmonton): My hon. friend cannot get away with that statement because we are on record as having offered to assist in that particular case.

Mr. FOSTER: I know they are on record, Mr. Chairman, as offering to assist, but it was in a form that was of no value. What practical use is that? The assistance was offered on receipt of information from the government of Nova Scotia telling this government plainly what the provincial government was able to do and what it could not do. Then we made a real proposition, which meant this government assuming at the outside an expenditure of $15,000. It was a simple matter, but we could not get that assistance. So I say it becomes a little difficult for members from the Maritime provinces who want to be fair to this government or to any other government that may occupy the treasury benches to assist in the upbuilding of this country. I care not what government occupies the treasury benches for the moment, I am interested primarily in the upbuilding of this country. I have had as close association with the upbuilding of western Canada and of eastern Canada for the last ten years as has any member of the government. In fact I have sent a great many settlers and a lot of money into that

country to help develop it. I am just as sincerely anxious, therefore, to do all I can in the upbuilding of that country and of the rest of Canada as is the Minister of Agriculture or the right hon. leader of the government or any of his cabinet and supporters in this House. I want the country to understand that I have proven that. So that when I examine this resolution, thick-headed though I may be on some of these points, not having had the experience of other hon. gentlemen in this House, I want the country to know that when we from the Maritime provinces bear our share again and again in these propositions for the upbuilding of Canada as a whole, we have a right to feel that in regard to any moderate requests which we may make of the government of the day, whatever be its political complexion, that government should come forward and say: Your request is a reasonable one, made in a reasonable manner, and it ought to be granted forthwith.

Mr. STEWART (Leeds): As it is intended that the natural resources of the three western provinces shall be handed back to them, what is the necessity of going on with this proposal? Why not leave such work to the provinces when they have the lands themselves?

Mr. STEWART (Edmonton): As already announced, a bill will be brought down for the transfer of the natural resources of Alberta, but there is no arrangement with the other two provinces; with them the matter is still under discussion. Of course if the bill transferring to Alberta its natural resources goes into effect, I am convinced the province would be perfectly willing to place any of the crown lands at the disposal of the government for settlement purposes. That is why the bill is general in character.

In reply to my hon. friend from Hants-Kings (Mr. Foster), for some reason I seem to be unfortunate in dealing with the coal question. I have been perfectly willing to give reasonable support for the transportation of coal both east and west. I have demonstrated that on former occasions by having fairly respectable amounts put in the estimates for the purpose; and we did assist the Nova Scotia movement to some extent. I go further. I am willing to continue that assistance because I am very anxious that Nova Scotia coal should be burned in central Canada. But that is quite aside from the question, and no doubt it will be discussed when the time comes. If hon. gentlemen will let this resolution pass, and I have an opportunity of getting the bill before the House, its exact provisions will then be before each member, and I shall be perfectly willing to listen to representations from members from Nova Scotia. I do not want to be sectional. I come from western Canada, but I want to foster a truly Canadian spirit and assist every portion of Canada. That is why we find here provision for assisting the Maritime provinces to secure settlement. I want to pay my tribute to Premier Rhodes. He has expressed his willingness to co-operate with us on immigration matters. We want to co-operate with every provincial government. This must be a Canada-wide effort, or it will fail. I have to regret the feeling that eastern Canada is always being sacrificed for the west. That is rather an unfortunate spirit to instil in our people. I think it is really because we do not understand one another sufficiently well, for my experience here is that the various provinces are fairly generously treated by every government, judging by the estimates. Of course, unfortunate circumstances always will arise. For instance, British Columbia thinks it is being discriminated against because it is at the extreme west. Now we have this unfortunate circumstance in the east. But it seems to me that we must approach these questions from the viewpoint of having a Canada-wide policy. That is what I have tried to carry out in this bill, imperfect though it may be. I am ready and willing to listen to suggestions that will improve the bill itself, and I hope the resolution will pass so that I may get the bill before the House.

Mr. BENNETT: Mr. Chairman, I spoke this afternoon on the resolution. I am going now to make a few further observations because I think it would be very unfair to the section of the country I represent to assume that the semblance of prosperity which we have at the present time is attributable to any effort of eastern Canada. The real truth is that the three prairie provinces with a population of less than two million people have produced a new wealth during the past year of nearly a thousand million dollars. That is really the basis of the present semblance of our prosperity, and until such time as there is a frank recognition of that fact on the part of those who reside east of the Great Lakes, we shall be open to many difficulties, much acrimony and a great deal of unpleasant discussion. I do not think this country should be divided into an eastern and a western group. But I do say there are reasons why hon. gentlemen who reside in the country in which I was born and where I

lived the early days of my life might well conclude from the readiness with which principles that formerly were declared to be guiding principles of the party have been sacrificed, because those sacrifices have been asked for from western Canada, that therefore the west is dominating the situation. I do not conceive that to be the opinion of men in the west, and I know what the sentiment there is; I have knocked around a good deal in that part of the country, having gone there as a young man. When you remember how difficult this country's economic condition is, when you remember that we have two and a half billion dollars of a debt, and are obliged to raise close on to $400,000,000 a year, the real problem is where and how we can most readily create new wealth. New wealth is more readily created in the west than in any other part of the Dominion; I do not think there can be any doubt about that. And it is not from any sectional point of view that I make that observation. Every Canadian must be proud of the fact that a population of less than 2,000,000 produced in the year 1925 wealth to the value of $900,000,000. There is no doubt that the purchasing power of eastern Canada has been increased many fold as a result of that money having been made available in Canada at this time.

I am sure that no one will accuse me of being deficient in party spirit; no one will say that I am not a fairly strong partisan. Having observed that, I must say that I do not view this measure in any party light at all. I do not consider it party legislation. This is a demand that comes from a great many people in the west. Last year I was twice in the Old Country, and I was frequently asked by people there why it was that, willing as they are to use their money to assist their settlers in coming to Canada, there was no indication of any willingness on our part to help people of small means to settle properly on the land and to produce wealth from the soil. The minister has not said much about this phase of the subject, having only hinted at it. I do not know whether there is any reason why he should not have alluded to it, but this measure will go a long way towards removing that difficulty. I am satisfied that it will be very much appreciated in quarters that have not been mentioned, for it will enable people who have only enough money to come out here to get settled on a piece of land, not in the woods nor in the wilderness, and not in remote sections of the country where timber has to be cut down at the cost of $40 an acre. There are no inconsiderable areas of land still available which would be suitable for homesteads—lands, not far from settled communities but which have been overlooked for one reason or another, where wheat cannot be grown as readily as on the more fertile plains, but where the husbandman with a few cows may increase the value of his dairy products. I may observe that in the United States last year the value of the dairy products was greatly in excess of the farm products; the figures issued only last week are staggering in their magnitude. This measure will assist men of the type engaged in this industry to settle upon these lands within fifteen miles of railways in little villages and towns, and with the assistance thus given them they will be enabled to improve their condition, which otherwise they could not do.

I have in mind at this moment two men I know who in the early days had very meagre means, and who, if they had been able to avail themselves of some scheme whereby they might have purchased a few cows, would have prospered much more rapidly than they did, although they have succeeded remarkably. There occurs to me, while I am on this point, a letter which I have received since coming to the House from a man who came over from the Old Country with limited means. He said that he would be able to build a little home, but that he could not do much more than that, and he was afraid that his pathway would be strewn with too many difficulties if he had not assistance of some kind.

It is in no partisan spirit that I approach this measure, for, as I have already said, I do not consider it party legislation. It is a measure, that affords relief not only to the west, but to every part of Canada.

Some hon. MEMBERS: Hear, hear.

Mr. BENNETT: I see no reason why hon. gentlemen should applaud that statement. The measure says as much: it is available to every part of the Dominion. But the fact that the people of western Canada can take advantage of it more readily than residents in the older provinces is no argument against its adoption.

One other question remains to be considered, and that is with respect to taxation, which so bothered one of my hon. friends. I fully appreciate his difficulty. Where you have a vacant piece of crown land surrounded by settled areas it is clear that if it bears no burden of taxation then the burden placed on the adjoining and surrounding sections is greater. But if you get a settler on that piece of land it is not necessary to build a

new school, as you would have to do in some remote section, nor are there any new roads to be constructed. All you require is a new rural post office box put up, and that settler, if he succeeds, as he must if he has the determination, will be able to make some contribution in the way of additional taxes to the community in which he lives, and thereby reduce the general burden. The effect, therefore, is obviously to lighten rather than to increase the burden of taxation which the community as a whole must bear.

I am greatly pleased to hear the minister say that he is not unwilling to reduce the amount. Every word that has been said today as to the serious condition of this country, I believe. We must realize that there are many projects in which we should like to engage but which we are unable to undertake. Financial considerations are often the measure of our ability. It is not our willingness but our ability to do these things that counts; and if the minister would reduce the vote to a reasonable sum and surround it with the safeguards which he has expressed his preparedness to do, I think the measure should meet with approval. The minister and I differ greatly in our political views, but I want to say that, however wide may be that difference between us, there is one respect in which, I am sure, we are in accord. In his desire to espouse measures that will benefit the country as a whole he has as strong and abiding a faith in his country as the rest of us. If, therefore, he will carry out the suggestions he has indicated, and give effect to them, I am satisfied that this measure will have a fair trial and we shall supplement the effort of our kinsmen across the Atlantic to enable immigrants, who perhaps are not rich in this world's goods but who are strong in hope, courageous, and of that virile race that makes the kind of settlers we so much require, to come to this country and become happy and contented Canadians.

I am sorry that we should have drifted in this debate into a discussion of the relative contributions that are made to this country's financial wealth by the east and by the west. I cannot have it said for a moment that the west is second to any part of the Dominion in the contribution it makes to the national wellbeing. I should be glad at any time to sit down and discuss with hon. gentlemen, as I said a little while ago to an hon. member who at present is not in his place, the per capita contributions made to the new wealth of Canada by various parts of the country. After all, the mere swapping of pieces of paper, to use the vulgar language of the street, does not add anything to the new wealth of a country. I may be able to exchange my share certificate on the stock exchange for a sum of money, but that does not add one single dollar to the new wealth of Canada. On the other hand, if, by any suggestion that I may make, legislation before parliament can be improved and I can thereby do my part to make it easier for one who is coming over to this country for the first time, to till the soil and acquire new wealth, then, indeed, I have assisted him in making a contribution to Canada much greater than anything that might be involved in the mere exchange of pieces of paper for money. He has done something that creates additional wealth, something that did not exist before, and he has thus been able to add something of a very permanent nature to the welfare of the country.

I have dwelt on this point because I felt, as one must feel who has lived as long as I have in the west and who came originally from the east, that I could not have it said that the people in that part of the country were merely sponging on the rest of Canada.

Some hon. MEMBERS: Hear, hear.

Mr. BENNETT: There is no necessity of applauding the sentiment, Mr. Chairman. It is a sentiment I am sure that anyone who analyzes the figures and realizes the productiveness and the amount of new wealth that those hard-headed and hardworking men and women have produced in western Canada during the last few years will recognize as sound. For that reason may I venture to suggest, not in any censorious sense, that we should all use our combined efforts to assist the minister in making this legislation as practicable as possible, limited in its application for the first year to a reasonably small sum of money, and if it does not succeed let us all bear our part of the responsibility for endeavouring at least to make it as good as we can.

Resolution reported, read the second time and concurred in. Mr. Stewart (Edmonton) thereupon moved for leave to introduce Bill No. 16, to authorize advances to settlers on crown lands.

Motion agreed to and bill read the first time.

SOLDIER SETTLEMENT ACT, 1919, AMENDMENT

Hon. CHARLES STEWART (Acting Minister of Immigration and Colonization) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to amend The Soldier Settlement Act, 1919, and to provide,—

1. That notwithstanding anything in the act, the board shall be empowered upon the application of a settler who has agreed to purchase any land from the board, who has not abandoned his land, whose agreement with the board has not been terminated or rescinded, and who has not repaid his indebtedness to the board, and where there has been a decrease or depreciation in the market value of such land not the result of neglect or mismanagement on the part of the settler, to make provision for the revaluation of the said land.

2. That application for revaluation shall be considered only when made by a settler residing on and himself farming the said land, and shall be submitted to the district superintendent of the Soldier Settlement Board for the district within which the said land is situated.

3. That the application shall be supported by affidavit on forms supplied by the board setting out the original purchase price of the land and the value of improvements effected since the establishment of the settler thereon, and by a written statement of the settler setting forth his belief as to present value of the land and his reasons therefor, and the names and addresses of any persons whom the settler proposes as witnesses to the present value; and the district superintendent shall consider the application and material in support and make report and recommendation thereupon to the board.

4. That if the board and settler agree upon the amount of depreciation in value of the said land such amount shall be credited by the board to the settler's account as on the standard date in 1925 and upon the settler's account being so credited, the balance then owing to the board by the settler for all purposes shall, at the discretion of the board, be consolidated and deemed to be the settler's principal indebtedness, and the total cost of the property may be amortized over the remaining period of the loan.

5. That the minister may appoint District Arbitration committees having jurisdiction in such soldier settlement districts as may be necessary, each committee to consist of three members, one of whom shall be an official of the Soldier Settlement Board and one a representative of the veterans' organization in the district, and the members of the District Arbitration committee when appointed shall have all the powers and authority of a commissioner under the Inquiries Act, and expenditures necessarily incurred by any District Arbitration committee shall be paid out of moneys appropriated from time to time by parliament to soldier land settlement.

6. That if the board and settler do not agree upon the amount of depreciation in value of the said land the board shall refer the matter at issue to the District Arbitration committee for determination, who will thereupon fix a convenient time and place for hearing. Upon the hearing of all evidence submitted the committee shall decide upon the question in dispute, and its decision shall be final.

7. That the District Arbitration committee shall forthwith forward a copy of its decision to the board and if it be found there has been a depreciation in the value of the land purchased by the settler from the board, not resulting from neglect or mismanagement on the part of the settler, the amount of such depreciation so found shall be credited by the board as provided by Resolution No. 4 in respect of amount arrived at by agreement.

Mr. STEVENS: Was this on the agenda for to-day, may I ask?

Mr. MACKENZIE KING: Yes.

Mr. STEVENS: It is pretty late. Could we not adjourn now?

[Mr. C. A. Stewart.]

Mr. MACKENZIE KING: It is just a short resolution.

Mr. BENNETT: Will the minister make a short explanation of this measure? It is of considerable importance.

Mr. STEWART (Edmonton): I shall be glad to do that, but perhaps we might first go into committee.

Motion agreed to and the House went into committee, Mr. Duff in the chair.

Mr. STEWART (Edmonton): The resolution is for the purpose of the introduction of a bill to meet the demand made upon the government when this whole question of the revaluation of soldier settler lands, as well as stock and equipment, was before a committee of this House. Hon. gentlemen who were in the last parliament will remember that that committee reported that a revaluation of the land, in certain cases at least, should be undertaken. Last year we did not meet with the demand of that committee in its entirety, but the House met it to the extent of a reduction of forty per cent on stock and equipment of settlers who had settled between certain dates, and a reduction of twenty per cent in the case of settlers who had settled between certain other dates. That reduction has not yet been completed, but I have tentative figures that would indicate that it will cost the government between five and six million dollars.

The proposal this year is that in certain sections where injury appears to have been done to the settler through having purchased land during the period of inflation, redress will be given if he can prove that the price paid for his land is higher than it would be if he were purchasing under ordinary circumstances at the present time. The regulations that will be thrown around the revaluation will seek to prevent redress being given to the man who may have suffered through his own neglect or incompetence, or whatever it may be, directly attributable to himself. To put it concretely, it is to give redress to the man who had bought his land, say, at $40 an acre, while the prevailing price in the locality at the present time is perhaps not more than $25 or $30 per acre for similar land.

A good deal of discussion has taken place to-night that pretty well enlightens members of the House with respect to the injury done to some of the soldier settlers. Some of them, of course, have had to abandon their lands, and it is impossible by legislation to give redress to them. This measure applies only to those who are still on the land and are still

endeavouring to meet their payments and secure the home they undertook to provide for themselves.

It is proposed that every soldier who is located on the land shall have the opportunity of writing to the Soldier Settlement Board indicating that in his opinion the land on which he is located bears too high a valuation, and that he is desirous of having a reduction made. Inspection will be made by the Soldier Settlement Board, and if in the opinion of the board's representative the valuation is too high, having in mind all the circumstances that surround the case, and the reduction the board's representative offers is reasonably satisfactory to the soldier settler himself, no further action need be taken. We anticipate that in a great many cases, far more perhaps than the number that will need to be dealt with, no reduction will take place, because we know of innumerable localities in which the land purchased by the soldier settler is more valuable to-day than when the purchase was made. In such cases, of course, there is no redress to be given. If an agreement can be arrived at between the person who is suffering injury and the Soldier Settlement Board through its representative, an adjustment will take place on that basis. But in the event of a dispute arising between the Soldier Settlement Board and the settler, recourse will be had to the tribunal created for the purpose, as provided for in the bill, and its decision in the matter will be final.

Mr. BENNETT: What about an appeal?

Mr. STEWART (Edmonton): I was going to quote the exact wording of the provision:

> If the board and settler do not agree upon the amount of depreciation in value of the said land the board shall refer the matter at issue to the district arbitration committee for determination, who will thereupon fix a convenient time and place for hearing. Upon the hearing of all evidence submitted the committee shall decide upon the question in dispute and its decision shall be final.

Mr. BENNETT: The committees are appointees of the minister and therefore political tribunals.

Mr. STEWART (Edmonton): It says further:

> The minister may appoint district arbitration committees having jurisdiction in such soldier settlement districts as may be necessary, each committee to consist of three members, one of whom shall be an official of the Soldier Settlement Board and one a representative of the veterans' organization in the district.
>
> The members of the district arbitration committee when appointed shall have all the powers and authority of a commissioner under the Inquiries Act.

Mr. BENNETT: The minister appoints them all, or rather he selects them.

Mr. STEWART (Edmonton): They are selected from different organizations.

Mr. BENNETT: The minister selects a representative from those organizations, that is the difference. I suggest that the district or county court judge be the tribunal. If you are going to make this thing absolutely devoid of any semblance of politics, if you are going to create a fair tribunal, do as they do under the Railway Act in cases of this kind, take the matter out of the hands of arbitrators and appoint a district or county court judge to deal with it. Fairness and absence of political pressure are, in my judgment, vital, in order that this scheme may not work any injustice to anyone entitled to consideration. I suggest that to the minister.

Mr. STEWART (Edmonton): My hon. friend suggests that the third member of the tribunal be—

Mr. BENNETT: No, I suggest the elimination of these arbitration committees and the substitution of the district or county court judge. For it will be remembered that the county court judges especially in western Canada where many of these farms are, hold their sittings in small sections of the community.

Mr. STEWART (Edmonton): I have no particular objection to raise, because the whole object in this connection is to avoid expense.

Mr. BENNETT: I know.

Mr. STEWART (Edmonton): All I am anxious to do is to provide satisfaction. I really have no desire to make these appointments. I can readily turn that over to some other power, and when the bill comes up I shall be glad to amend it in that way. That is really all I have to say about the matter. It is a very simple process for revaluation of the soldier settlement lands. I simply want to point out it is not a wholesale revaluation; necessity for consideration would have to be shown before consideration would be given.

Mr. BENNETT: I am strongly of the opinion that a revaluation of these lands is imperative.

Mr. CAHAN: Will the hon. gentleman speak louder?

Mr. BENNETT: I was observing that in my opinion, from personal observation and inspection of many of these lands, a revaluation is imperative. The circumstances and conditions under which that revaluation may be made I find it difficult to describe. Fairness is a thing to be aimed at, and I cannot

contemplate the setting up of district arbitration committees without abuses resulting, the same abuses that have brought about the purchasing of land at too high a price and its appraisement at too great a value. The very circumstances alluded to this afternoon by the hon. member for Qu'Appelle (Mr. Millar), that brought about the payment of excessive prices for land or its valuation by appraisers who were apparently desirous of assisting in the sale, may bring about the very reverse condition if you create tribunals that would be subject to pressure such as I have indicated, which we all must know from our own observation is something to be considered. I venture to suggest that unless we can enlist the services of a district or county court judge in matters of this kind, so that we shall have the advantage of trained, skilled minds accustomed to deal with evidence, of men who have not the remotest interest in the ultimate result, I fear that in a problem of this kind the revaluation will not be effective in accomplishing what is desired. By eliminating this provision and permitting the application to come from the settler in the first instance, and then having the revaluation proceed without expenses—because the district court judges and the county court judges hold their sittings in the smallest sections of their counties—it will not be any more difficult to present the case for revaluation—it may be done by the settler himself before a sympathetic district court judge—than it would be before a district arbitration committee of three, or of two if they agree, and I submit that the results—

Mr. STEWART (Edmonton): Does my hon. friend suggest it go to the judge at once?

Mr. BENNETT: Yes, so as to obviate all this difficulty that is experienced in respect to arbitration. Speaking from some little experience with respect to arbitrations when we used to acquire rights of way for railways, in days when I was more actively associated with that class of work than now, I can say that the amendment to the Railway Act which vested that jurisdiction in county court and district court judges brought about a very great improvement. Not only have the difficulties that used to be experienced in connection with arbitrations to fix the value of right of way greatly disappeared, but we have much better results by reason of the county or district court judge settling these matters. If the minister will be good enough to consider and if possible adopt the suggestion I make, the result will be very advantageous alike to the community as a whole and to the settler himself, because in a given community there will be a uniformity of treatment which might not, and in very many instances would not, be experienced if the arbitration was fixed as provided by the resolution. I am convinced from my own observations, from visits to farms and from discussions I have had with the settlers, that the conditions under which these farms were purchased were such that the price was greater than the value warranted. We must face this matter fairly, and although it involves this Dominion in a loss that loss must be borne by the Dominion as a whole. It is unfair that the prices at which lands were then bought should be continued. Many men, as has been mentioned already, found it no longer possible to remain on the lands and had to abandon them because they saw no hope in the future. From my observations I certainly came to the conclusion that it was my duty, had this resolution not been upon the order paper, to urge the government to consider it as a measure of justice and fair play to men who acquired lands at the height of the market, under conditions which made it impossible for them to carry on their contract. They do not desire to be the victims of these circumstances. They do not desire charity, but they wish the country to bear a share of the loss occasioned by reason of the high price paid for property acquired at the very peak of the boom in farm lands consequent upon the high price paid for wheat shortly after the war. But it is not all a loss. It is wrong to assume that it is a loss to the state, it is a gain to the state, for the simple and obvious reason that we have been able to place upon lands men who have become more or less accustomed to living upon farms, men who had left cities, and they have made a very valuable contribution to the wealth of the state by reason of the experience they have had in farming and the life they have lived upon the farm. Measured from one standpoint, therefore, I do not regard it as a loss; it is something the state might fairly assume. If we can approach the matter from the standpoint of absolute fairness and have this revaluation made by a tribunal whose duty it is to do that class of work in connection with railway corporations, in regard to rights of way and matters of that sort, a tribunal of judges who are dealing with questions of this kind every day, I am sure we will extend a measure of relief to a deserving portion of the population and will do general justice to the exchequer and to the state.

Mr. DUNNING: Do I understand the suggestion to be that the district court judge would be the arbitrator in all cases, or would the hon. friend still leave the provision providing for the board and the settler themselves to reach an agreement? Would he merely have the district court judge substituted for the arbitration committee, or would he have the district court judge hear all cases?

Mr. BENNETT: I would substitute the district court judge in every instance, for the reason that the matter of arriving at an agreement involves at times the raising of questions by one of the parties that a judge would not consider, and in other cases the elimination of factors which should be considered. If we have uniformity within the district, and if the district or county court judge determines in every instance the measure of decrease in value, then I think we have eliminated every possibility of complaint as to the method pursued to reach the desired end.

Mr. DUNNING: How would the cost be dealt with?

Mr. BENNETT: In my judgment the cost would be very trifling in a matter of that character. In the appeal board, my hon. friend will remember, the government itself has provided that a soldier's friend may assist in the presentation of an appeal, and it might be that some such arrangement would be made in this case. The settler does not require a lawyer to present a case of that character. It sometimes may be very much better done by the settler himself or by his friend than by a trained solicitor for reasons that will at once appeal to you, Mr. Chairman, and to my hon. friend. Courts are always considerate of a man who appears to present his own case, allowing for all the difficulties under which he must labour, whereas if the case is in the hands of an inexperienced solicitor the settler might suffer.

Mr. CAHAN: I presume the Minister of the Interior has obtained from his representatives in the west a fairly accurate idea as to what is the general rate of depreciation in the value of those lands. I was utterly astonished in the lobby this afternoon to hear some western members state that the depreciation in the case of some of the lands was at least one-half, and perhaps greater in other. If there has been a general depreciation of one-half, it means a loss to the treasury of $50,000,000, and if that is the real prospective loss it will come as a great shock to many people who believed that the settlement under the Soldier Settlement Act was really of general benefit to the whole country.

Mr. STEWART (Edmonton): I think my hon. friend is unduly alarmed. Perhaps the most aggravated case is in the constituency of the hon. member for Dauphin (Mr. Ward) In Manitoba undoubtedly serious loss will be experienced in the revaluation of land in the district between the lakes, but I would like to stress the point I was trying to make in speaking previously, namely, that in the majority of cases there will be no revaluation at all and that in many cases the land now occupied by the soldier is more valuable than it was when he purchased it.

Mr. CAHAN: Does the minister not think that under the terms of the arrangement proposed by the resolution nearly every settler will contend that there has been depreciation and proceed on the idea that the time now has come to make a raid upon the treasury to secure the benefit of the alleged depreciation?

Mr. GARLAND (Bow River): The raid was made at the time the settlement took place.

Mr. CAHAN: Possibly that was all wrong. I am not here to vindicate or support anything done by any previous administration; as a new member of this House I am not called upon to do that. But, in view of the provision made here that every settler may apply, no specific terms being expressed as to the ground on which the revaluation should be made by the arbitrators or by the district judges, what is the opinion of the Minister as to the prospective loss?

Mr. STEWART (Edmonton): One factor that will cut down the number of cases to be dealt with is that a very large proportion of the men who were unable to carry on are now off the land. The fact that their land was valued too highly was one of the contributing causes which forced them to leave it.

Mr. CAHAN: What proportion of these men have left the land? I understood from the hon. member opposite that a great number of them were still on the land.

Mr. STEWART (Edmonton): There are 21,600 odd still on the land.

Mr. CAHAN: How many left?

Mr. BENNETT: Not more than 25 per cent.

Mr. STEWART (Edmonton): I think not.

Mr. STEVENS: About 29,000 went on the land.

Mr. STEWART (Edmonton): I think 29-000 all told went on the land and of those 6,800 have made failures up to date.

But the fact remains that there are 21,600 odd still on this land, and you cannot discriminate and say that only John Smith in such and such a locality may apply for revaluation. All must have the opportunity, but that does not mean that all will be dealt with. They will have to show cause why they are entitled to any revaluation. I am somewhat impressed by the suggestion of my hon. friend (Mr Bennett). I may say frankly, without reflection on my legal friends, that I am always somewhat wary about the cost of courts and court actions and I was trying to avoid that. But it is important for the settler and for the country that a most impartial tribunal should make the decisions. I am thoroughly in accord with that suggestion.

Mr. CAHAN: That is fundamental.

Mr. STEWART (Edmonton): I am ready to give serious consideration to my hon. friend's suggestion if it will avoid expense to the settler himself and to the country, but on the other hand I am just a bit fearful about these courts. I want to do the thing that will bring about a result that will be satisfactory to all parties concerned.

I want to impress upon my hon. friend (Mr. Cahan) the fact that while this proposition may and undoubtedly will run into a considerable sum of money, to speak of a fifty per cent reduction in connection with the 21,000 soldier settlers who are on the land is away beyond the mark. I rather think not more than twenty per cent of those on the land to-day will have their land subjected to revaluation, in some cases perhaps a fairly considerable reduction, in others, rather a small one. That may be a wild guess, but I am giving my hon. friend my opinion in the matter so that he will not be unduly alarmed at the amount of money involved in this reduction. It is important that every one of the 21,600 odd soldier settlers should be kept on the land if it is humanly possible to keep them there.

Mr. STEVENS: I want to join with the hon. member for West Calgary in saying that I think something of this character is necessary. I appreciate also the very difficult task facing the minister in drafting proper legislation. There are two points which strike me, first, the one referred to by the hon. member for West Calgary, namely the securing of a tribunal that will have the confidence of both the settlers and the public. That I think can be achieved by substituting for the appeal to the board as suggested in the resolution an appeal to a county court judge.

Mr. STEWART (Edmonton): My hon. friend is now talking about the appeal. My hon. friend from West Calgary suggested that the matter should go directly to a county court judge. In a case which can be amicably settled between the representative of the Soldier Settlement Board and the settler, would he be satisfied with such a settlement?

Mr. STEVENS: I would not be prepared to express an arbitrary opinion offhand. I appreciate the difficulty. I was going to make another suggestion. Having achieved some understanding on that point, I still see a difficulty, that which perhaps is in the mind of the hon. member for St. Lawrence-St. George. It is this: Unless you have some rule or fixed principle upon which that revaluation is to be determined, no matter how clever or just may be the tribunal, there is a danger of doing an injustice to the public at large. Before I entered this board of legislators some fifteen or sixteen years ago, I was for some years city alderman and we had before us the problem of a new assessment scheme. This may seem a little aside from the mark, but I want to offer the idea to the minister. The question of assessment, whether it is the assessment of land or property in a city or the country for taxation purposes, or the assessment, as is really meant in the case of this property, for revaluation purposes, is always a very difficult thing to arrive at. I remember being much impressed, although I do not know that it was ever carried out in any instance that came to my attention, by a suggestion that was made that when an appeal was entered against an assessment and the price was fixed, as a final test of its justice, if the taxpayer objected that he was still being unjustly treated, the land should be offered for public sale at that figure. That is, if a man claimed that his property was too highly assessed and he intimated that the price ought to be fixed at a lower figure, he should be subjected to having his land sold at the assessed figure before it would be reduced any more under appeal. If we applied some such principle as that to this revaluation it might safeguard the country against unfair reductions. For instance, a man who has a farm applies for revaluation and the question of revaluation is in the air, is in the district. There may be in the same district land much poorer in quality or for some reason not worth as much as other land in that district and entitled to revaluation. But the very fact that you lower the price of A's land will warrant B in asking you to lower the value of his. That is going to be the chief difficulty. But if B is faced with the risk of having his land offered at public sale at the figure suggested, let us say, by the court, he may think twice

before he will make application for revaluation or insist that he has been unfairly treated.

Mr. BENNETT: He has to make an affidavit on forms supplied by the board.

Mr. STEVENS: I confess very frankly to the minister that I have not had time to give this very much thought, but I see a great danger and I think it is what is in the mind chiefly of the hon. member for St. Lawrence-St. George and others, namely, that by the very fact that we are revaluating, this will spread over a large and extended area and into a very large sum. I would suggest to the minister as my contribution to this debate, first, that as nearly as possible we should submit these things to a county court judge or some court in existence rather than to a board of arbitration, and, second, that some principle such as the one I have suggested should be applied to prevent the undue influence of local sentiment from entering into this question of revaluation.

11 p.m.

Another point that occurs to me which I will just refer to, rather in support of the measure than in criticism of it—and I want my criticism to be taken as friendly—is this: We are not going to lose all the amount that will be represented in the figures of reduction in valuation. A large number of soldier settlers are leaving the land now, and every farm that is abandoned by a soldier settler and thrown back on the Soldier Settlement Board means an immediate loss. The board must take the stock and machinery, all of which is greatly reduced in value when it is put to a forced sale, but which if it were in a going concern would still retain a major portion of its value. So that every man who leaves the land causes a serious loss to the country. If by any means we can keep those men on the land, we will minimize the loss. Furthermore, and of course it is of very great importance, we will assist in building up happy and contented homes, which should be our main object.

Now, in British Columbia there are quite a number of people who bought land at high prices. I have in mind some very fine chaps who are striving and struggling earnestly to make good. I know some who have been already driven off their farms. They are those who see the margin of profit reduced to such a low point that they have no hope of paying off the principal sum. But if the property of those who are still holding on were revaluated so that hope might be revived, I think the great proportion of them would stick. On the other hand, if that last hope is removed, I think you will find in the next few years a great many will abandon the land, and in all probability the actual loss to the country in dollars and cents will be greater by the absence of this legislation than by wise and careful application of it.

Mr. WARD: Mr. Chairman, may I congratulate the hon. member for Vancouver Centre as a new recruit to this principle? I might recall his remarks of three or four years ago on this very question, but I refrain, for I am very much pleased to have him with us to-night.

Mr. STEVENS: What did he say then different from what he says to-night?

Mr. WARD: I also want to congratulate the government on having brought forward this legislation. I am only sorry that they did not see eye to eye with the few members in this corner of the House back in 1923. Had this legislation been brought forward then it would have saved at least two hundred returned soldier settlers in my constituency. Lest I be misunderstood, I want also to congratulate the member for West Calgary, whose sincerity not only on this but on all other questions I admire. But in the same spirit and just as emphatically I protest against his suggestion that any appeals under this legislation be referred to county court judges. I do not for one minute question their ability or sincerity, but I do say that at least ninety per cent of them are not at all qualified to judge matters of this kind. The only person in this country who is qualified is the practical farmer, the man of long residence in the community, the man who knows a farm from a slough or a marsh, the man who knows the potential value of the land. In reply to the remarks of the hon. member for St. Lawrence-St. George, I say, yes, it is true in many cases that the land, if properly valued, will be rated at not more than 20 per cent of its original purchase price, and in some cases the value will be wiped out entirely if the settlers are to make a living.

But I rose more particularly to address myself to the method of reference. I am positively opposed to referring appeals to any law court, and I say this without in any way reflecting on the ability of those who occupy high and honourable judicial positions. I repeat that the only man qualified to judge matters of this kind is the practical farmer who has lived in the community and therefore is familiar with the conditions surrounding

the farms. If the proper men are appointed under section 5 I do not think there will be need of any second appeal. If the third man is thoroughly qualified to judge of the potential value of the land to be revalued, that is all that would be required of him. The local supervisor, if he has been on the job for any length of time, usually has all the information at his finger tips regarding the soldier and the reason for his failure, having watched his progress for five or six years. Whether the man's failure is because of lack of potential value of the land itself, or is due to indolence, the supervisor knows. I am confident that he is a perfectly qualified person to be chairman of such a board. Secondly, I think it is proper that the veterans' organization should be taken into account in the appointment of the second man if it is possible to get from them someone thoroughly qualified, but I would be absolutely opposed to appointing a returned soldier to the board unless he were qualified for the position. I would be just as much opposed to such an appointment as to that of a county court judge. Thirdly, as I have said before, the man to be appointed should be not only a practical farmer but a man acquainted with the district in which he is making the revaluations. I hope the member for West Calgary will accept my remarks in the spirit in which they are made. I am rather inclined to think that if he had homesteaded in the wilds of western Canada and gone through some of the difficulties that many of us have experienced, he would have had some hesitation in making the statements he made to-night or in suggesting that these matters should be referred to the county court judges, because as a rule they are merely cheap, second-hand politicians. He will agree with me that a good lawyer would not be bothered with the job. I really do not believe he was serious when he suggested the selection of such men.

Mr. STEWART (Leeds): Mr. Chairman, I should like to support the attitude taken by the member for West Calgary, but it does appear to me that our difficulty in this very serious matter is due to the fact that in the first instance these lands were valued by some practical man.

Mr. BROWN: No, that is the trouble.

Mr. STEWART (Leeds): They were not valued by a county judge, anyway.

Mr. CAMPBELL: They were certainly not valued by a practical man.

[Mr. Stevens.]

Mr. STEWART (Leeds): I am inclined to think there were some practical men around at the time these lands were sold.

Mr. FORKE: Mr. Chairman, how would the hon. member like a farmer to inquire into some legal matter?

Mr. STEWART (Leeds): I should like a farmer to inquire into a matter about which he had special training; and I should like to have a matter of this kind investigated by a man who by special training has qualified himself for the work. I am sure if we are safe in trusting all our other disputes to a county judge, we would be equally safe in trusting him with this. We ought to be just as safe as we should be with anybody else under our system. It does seem to me, however, to be a suggestion that should work out with justice to all concerned. I cannot follow the argument of the hon. member (Mr. Ward) who so severely reflects on county judges. Possibly one has done something to him which he does not like. At any rate his argument is not well founded.

Mr. CARMICHAEL: This resolution is one that meets with general approval, but I am not just sure what the minister intends. If I followed his remarks, I understood him to say that every soldier was to have the privilege of having his land revalued if he so desired; and at another time he stated that it was not the desire to have a wholesale revaluation of soldier lands. I am not sure how he proposes in the forthcoming bill to safeguard the Soldier Settlement Board from a very considerable flood of applications for revaluation of lands.

Section 3 of the resolution proposes three conditions to be complied with by the applicant for revaluation: first, that the application shall be supported by an affidavit; second, that the applicant shall give a written statement setting forth his belief as to the present value of the land and the reasons therefor; and, third, that he shall give the names and addresses of any persons whom he suggests as witnesses to the present value. These three conditions may be fairly satisfactory, but it seems to me that they do not adequately safeguard the Soldier Settlement Board from an inordinate number of applications. With regard more particularly to conditions in western Canada—I am not sure that the same would not apply elsewhere—we have a small local governing body known as the municipal council, which is composed of seven men representing a nine-township unit, that is, a small area of land eighteen miles square. I would suggest to the minister that every ap-

plication from a soldier settler should be submitted to that small local body. They are practical farmers. Each farmer councillor represents a little over a township, and he knows fairly well every parcel of land within that compass. He knows its fair value, and he is acquainted also with the soldier settler. He knows whether the case is a worthy one or not, or whether the land has depreciated as a result of indolence on the settler's part. I would urge the minister to incorporate in the bill a provision that throughout the country every application shall be supported by a resolution duly moved and passed by such a small local governing body, whether it be known as municipal council, township council, county council, or whatever the nomenclature may be. So far as the west goes we call them municipal councils.

It may be urged that these small local bodies are under provincial jurisdiction. That is correct. But I have had considerable experience in one of these councils, and if there should be any objection to a small body such as this handling such cases, all that is necessary is for the Minister of Municipal Affairs in the provincial government to send out a circular letter to the municipal officials, requesting that they give every support to such a movement. I am sure that such support would be given.

I suggest to the minister that in section three provision be made in this respect. Otherwise I fear that it will be necessary to move an amendment to the bill when it is brought down to ascertain the views of the committee on the point. I make that suggestion now.

As to the board of arbitration, I am not so sure that the district court judge is the proper officer to handle such cases. I am not so sure, again, that if it comes to a case of arbitration the municipal council is not the most logical body to settle any dispute. They are, in my opinion, better than anyone I can think of in the whole district. They know the lands, they are in touch with the situation, and I have no doubt they would give a fair decision if the matter were left to them.

Mr. STEVENS: As there will likely be considerable discussion of this important resolution, I would suggest that progress be reported. I think the Prime Minister will agree that the discussion so far has been constructive and helpful, and an adjournment now would be justified.

Progress reported.

GOVERNMENT'S RIGHT TO RETAIN OFFICE

Right Hon. W. L. MACKENZIE KING (Prime Minister): I do not know whether any hon. member in the House is particularly interested in having order No. 6 retained any longer on the order paper. I move that it be discharged.

Mr. BENNETT: Let it stand until the leader of the opposition (Mr. Meighen) comes back.

Mr. MACKENZIE KING: Very well.

On motion of Mr. Mackenzie King the House adjourned at 11.20 p.m.

Friday, March 26, 1926

The House met at three o'clock.

ALLEGED FRAUDULENT COMPANIES

On the Orders of the Day:

Sir HENRY DRAYTON: Mr. Speaker, I would like to call the attention of the government to the fact that at present Canada is getting a great deal of undesirable advertising in Great Britain in connection with companies which are described as fraudulent companies incorporated in Canada. I would direct the attention of the government to the exposure made in the press of the British Associated Oil Company, Limited, of Canada, and of the Westminster Finance Company, Limited, of Canada. I am now looking at the issue of the Daily Mail of March 8, in which these companies are described as being purely fraudulent in character, taking money from and exploiting the public, and the article holds up conditions here in the worst possible light. I desire particularly to ask if the government will see whether incorporation has been granted by this House or any department of the government to those companies, and if so what steps will be taken to remedy the wrongs done the English public.

Mr. ROBB: I recall a couple of years ago talking this over with the High Commissioner in London, and pointing out to him the injury it would do Canada if some of the companies, some land companies as well as mining companies overseas—

Sir HENRY DRAYTON: These are oil companies.

Mr. ROBB: As my hon. friend knows, we have our troubles in this country also. The operations of fakirs are not limited to the United Kingdom. I will direct the attention

of the Secretary of State to the question of the incorporations. I think it quite important that we should watch those things but my hon. friend knows that the government are powerless to prevent people from investing their money upon the representations contained in highly coloured prospectuses.

Sir HENRY DRAYTON: Parliament is not powerless to prescribe such rules and regulations as will make it difficult for these frauds to be practised. However, I just draw this matter to the attention of the government.

MARITIME RIGHTS COMMISSION—PERSONNEL

On the Orders of the Day:

Sir HENRY DRAYTON: I would like to ask the Prime Minister whether he has yet appointed his commission to investigate Maritime rights and if so, who compose such commission? I would also like to ask if the government have abandoned stalling that question.

Mr. MACKENZIE KING: I might say in reply to my hon. friend that the government have been endeavouring to secure, as chairman of that commission, a gentleman whose name is already well known in this country. We have been a little delayed in getting a final reply from him. I am not ready at the moment to announce the name but we have received word which is satisfactory, and I hope in the course of the next week to be able to announce the appointment of the commission and its personnel.

Mr. HANSON: May I say to the Prime Minister that of the three provincial governments of the Maritime provinces one, Nova Scotia, has already framed a bill of rights on this very question, and in the other two provinces the same course is being followed. Would it not be well to wait and see what steps those governments have taken before this government puts into operation this commission, which has been unanimously rejected by members on this side of the House.

Mr. MACKENZIE KING: Perhaps my hon. friend will be pleased to know—I do not wish to give him the terms of the order in council with reference to the commission—that the government had observed just what he has said. One of the governments of the Maritime provinces, I am aware, has framed certain representations—I do not know just how to designate them—but at any rate our government was of the view that it would be proper to refer all these representations to such a commission. It was thought that this would be in accord with the wishes of the provinces as well as those of the Dominion, and we intend to act accordingly.

ALIEN ENEMY PROPERTY—RETURN TO ORDER OF THE HOUSE

On the Orders of the Day:

Sir HENRY DRAYTON: I desire to draw the attention of the government to a rather important matter—the character of the returns made to orders of the House. Sessional paper 130 is a return made on a motion by myself asking for a copy of all reports associated with the Hon. William Pugsley in connection with alien enemy property and the like. A return has been tabled, but it merely has to do with the release of money seized from enemy subjects, such release being made on the ground of necessitous circumstances. Nothing else is in that return. I just want to point out to the government that either the resolution brought in last year by the then Secretary of State, Mr. Copp, was entirely misconceived, or this return is absolutely wrong. I invite attention to Hansard of last year. There was a governmental resolution providing for the payment of claims for reparation for losses suffered by Canadian nationals; that resolution was supported by the then Secretary of State and also by the Minister of National Defence (Mr. Macdonald). I refer the government to page 4519 of Hansard of last year, where the Secretary of State points out that decisions had been given by the Hon. William Pugsley involving amounts aggregating seven or eight million dollars. Not one of those decisions is shown in this report. The Minister of National Defence, at page 4523 of Hansard, said:

> Hon. Doctor Pugsley held a great number of hearings, and has made his report on practically two-thirds of all the claims that were made; and the principles which he settled in the cases which he decided would probably apply, I understand, to the easy determination of all the other claims.

Now, Mr. Speaker, if returns are to be of the slightest use, the returns must be what they say they are, and I point out that while we had a resolution presented last year authorizing payments running up to five, six, seven or eight million dollars, based on the judgments and reports of the late Hon. William Pugsley, and while the return on its face is supposed to be complete and to contain all these judgments and reports, it contains not one of those cases.

Mr. MACKENZIE KING: Mr. Speaker, I have no personal knowledge, of course, of the matter to which my hon. friend refers, but I shall draw the attention of the hon. Sec-

retary of State (Mr. Lapointe) to it, and I have no doubt that he will be able to give a satisfactory explanation.

PEACE RIVER BLOCK

On the Orders of the Day:

Mr. L. J. LADNER (Vancouver South): Mr. Speaker, now that we have with us our new Minister of Railways (Mr. Dunning), whose abilities and genial disposition we all welcome, I would like to ask him a question with reference to a despatch appearing in the Vancouver Daily Province in connection with the Peace river block. The despatch is dated Victoria, March 12, and reads:

British Columbia's request for the return of the Peace river block to provincial control for use in subsidizing northern railway development will be laid before the federal government shortly after parliament resumes its session next week.

May I ask the minister if the government is seriously considering or actually dealing with the Peace river block, and whether or not it is in consultation with Premier John Oliver of British Columbia in reference to the matter.

Hon. CHARLES A. DUNNING (Minister of Railways and Canals): Mr. Speaker, no such application has reached me yet. Possibly among the accumulation of other matters, there may be such an application, but it has not reached me yet.

INTERIM SUPPLY

Hon. J. A. ROBB (Minister of Finance) moved that the House go into committee on Bill No. 14, for granting to His Majesty a certain sum of money for the public service for the financial year ending the 31st March, 1927.

Sir HENRY DRAYTON: Mr. Speaker, I have not seen the bill, but I assume that it is an interim supply bill which will provide for the passage of one-twelfth of the estimates?

Mr. ROBB: Yes.

Sir HENRY DRAYTON: I do not rise to oppose the motion, Mr. Speaker. The reason I do not oppose it certainly is not that we have changed our views in the slightest as to the constitutionality of this government and their right to carry on. On the contrary, every day more and more confirms us in the wisdom of those views. We are simply not objecting owing to the fact that we recognize under the circumstances that business has to be carried on, and we are, therefore, facilitating it.

Motion agreed to and the House went into committee, Mr. Duff in the chair.

On section 2—$15,934,291.06 granted for 1926-1927.

Sir HENRY DRAYTON: I have no doubt my hon. friend has had this figure carefully checked, and I am quite prepared to take his statement that the figure is correct. I suppose we are safeguarded by the statement further on in the bill that this is one-twelfth of the whole supply to be voted. Of course, Mr. Chairman, if this bill be adopted by the committee, it is subject to the usual understanding, that understanding being that by the adoption of this vote not one single item in the estimates is in any way advanced, but that the objections which the House may take to any item either as to character, principle, or amount, stand exactly the same as if this bill had not been passed. I apprehend my hon. friend will be glad to give assent to that statement.

Mr. ROBB: My hon. friend is quite right. I had occasion to look up the procedure of previous years, not only while we were in office, but while my hon. friend was Minister of Finance, and the understanding is just the same.

Section agreed to.

Bill reported, read the third time and passed.

OLD AGE PENSIONS

Hon. J. H. KING (Acting Minister of Labour) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to bring in a measure respecting old age pensions, and to provide,—

1. That the Governor in Council may make an agreement with the Lieutenant-Governor in Council of any province for the payment to such province quarterly of an amount equal to one-half of the net sum paid out during the preceding quarter by such province for pensions pursuant to a provincial statute authorizing and providing for the payment of such pensions to the persons and under the conditions hereinafter specified and regulations made under the proposed legislation.

2. That every agreement so made shall continue in force so long as the provincial statute remains in operation or until after the expiration of ten years from the date upon which notice of an intention to determine the agreement is given by the Governor General to the Lieutenant-Governor of the province with which the same was made.

3. That before any agreement so made comes into operation, the Governor in Council shall approve the scheme for the administration of pensions proposed to be adopted by the province, and no change in such scheme shall be made by the province without the consent of the Governor in Council.

4. That all sums payable to any province in pursuance of any such agreement shall be payable from time to time on the certificate of the Treasury board out of any moneys belonging to the consolidated revenue fund of Canada not otherwise appropriated, and the Governor in Council may borrow from time to time such sums as may be required for the purpose of making such payments.

5. That provision shall be made for the payment of a pension to every person who, at the date of the proposed commencement of the pension:—

(a) is a British subject, or, being a widow, was such before her marriage;

(b) has attained the age of seventy years;

(c) has resided in Canada for the twenty years immediately preceding the date aforesaid;

(d) has resided in the province in which the application for pension is made for the five years immediately preceding the said date;

(e) is not an Indian as defined by the Indian Act;

(f) has not made any voluntary assignment or transfer of property for the purpose of qualifying for a pension.

6. That the receipt of a pension shall not by itself constitute a disqualification from voting at any provincial or municipal election.

7. That the maximum pension payable shall be two hundred and forty dollars yearly, which shall be subject to reduction by the amount of the income of the pensioner in excess of one hundred and twenty-five dollars a year.

8. That provisions be made as to the credit to the pension authority of the annual value of a pensioner's residence, and the recovery of pension payments out of deceased pensioner's estate, and for the distribution of pension burden among provinces by proportionate reimbursement or proportionate reduction where the pensioner resided in more than one province or transfers his permanent residence to another province, and for ceasing payments where he transfers his residence to some place out of Canada, and the revival of his rights upon again becoming a resident of Canada.

9. That no pension shall be subject to alienation or transfer by the pensioner, or to seizure in satisfaction of any claim against him.

10. That on or before the thirtieth day of April in each year, the Minister of Finance shall make a full report to parliament of the operation of the agreements made pursuant to the proposed act, and of the moneys of Canada paid to the provinces under each of the several agreements entered into pursuant thereto.

11. That the Governor in Council shall have power from time to time, on the recommendation of the Minister of Labour, and with the approval of the Treasury Board, to make regulations, not inconsistent with the provisions of the proposed act, with regard to the pensions herein provided for, and such regulations shall be published in the Canada Gazette, and be laid before parliament.

Sir HENRY DRAYTON: Explain.

Mr. KING (Kootenay): Mr. Speaker, the resolution you have just read does not contain any new principle. The principle of old age pensions has been recognized in practically all the European countries, in Great Britain, in several of the countries of South America, in several of the states of the United States of America, and in the Dominions of Australia and New Zealand. In some form or other this principle has been recognized, but it varies according to the desire of the country in which the legislation has been enacted. In some states or some countries the system is a contributing one, the individual contributing a sum towards his pension in old age, and the state furnishing another portion. In Great Britain the dual system prevails. There the act was amended in 1925 to permit of the operation of contributing and non-contributing systems. In the Dominions of Australia and New Zealand the system in force is a non-contributing one.

As I say, the subject is not a new one in Canada. We find that in 1906-07 a resolution was brought into the House of Commons and adopted. At that time it was set out that it was desirable in the interests of the people of Canada that some provision should be made for old age. In 1911-12 and 1913-14 the subject was again under discussion, resolutions being introduced into the House. In 1914 a resolution in favour of the adoption of the old age pension system was moved in the House, but the debate was not concluded. In 1922 the House of Commons adopted a resolution favouring old age pensions. In 1924 a special committee of parliament was appointed to consider the subject, and spent some time delving into the history of old age pensions. It finally recommended to parliament that some system should be adopted in Canada. The recommendations of that committee were as follows:

That an old age pension system be established at the earliest possible date for deserving indigent persons of seventy years of age and upwards.

That applicants for a pension must be British subjects of at least twenty years residence in Canada, or naturalized subjects of at least fifteen years' naturalization and twenty-five years residence.

That the maximum rate of pension be $20 per month, which would be lessened by private income or partial ability to earn; that one-half the amount of pension payable be borne by the federal government; the other half, by the provincial government of such provinces as express by legislation their desire to adopt the system—the cost of administration to be borne by the provincial governments.

It will be noted the resolution follows very closely the report of the special committee of 1924. It was suggested the other day by the right hon. leader of the opposition (Mr. Meighen) that it would be desirable that the House should learn what this scheme would cost the nation. I did not understand altogether the right hon. gentleman's reference of a few days ago to this matter. He said at that time:

It is not customary to debate matters upon motion to proceed into committee on a subsequent day, but as these matters of immense consequence, perhaps the government could at least give this modicum of information. I should like if the government could give us an estimate of what the resolutions on the order paper just read will cost the revenue of Canada. I do not expect a close estimate at all, but say within a hundred million dollars.

I am satisfied that the right hon. leader of the opposition is not serious in that statement because he has in his possession the re-

ports of the committee on old age pensions and I have no doubt has familiarized himself with its recommendations. On page 4 of that report the committee expresses itself as follows:

> Your committee has estimated that under such a system there would be approximately 98,841 eligible pensioners, and if all these were to receive the maximum rate of pension, namely, $20 a month, the federal government's portion of the total yearly expenditure would amount to $11,860,920. This amount, however would be reduced by any private income or partial earnings.

So there is no suggestion of an expenditure of $100,000,000.

Sir HENRY DRAYTON: The question did not refer to that matter, it referred to all the resolutions on the order paper. What is the use of talking about something that never was said?

Mr. KING (Kootenay): I beg my hon. friend's pardon. I took the statement from Hansard.

Sir HENRY DRAYTON: My hon. friend does not follow his own reading. The right hon. leader of the opposition was referring to all the resolutions.

Mr. KING (Kootenay): I have taken my own meaning from what the right hon. gentleman said.

Sir HENRY DRAYTON: And as usual it is wrong.

Mr. KING (Kootenay): The statement was made to mislead this House. However, I will proceed.

Sir HENRY DRAYTON: I would.

Mr. KING (Kootenay): There is a suggestion in the right hon. gentleman's statement that as a result of the government entering into a scheme of this kind further burdens will be saddled on the Canadian people. That is really not so. There will be no loss financially to the Canadian people. The work of caring for the aged is being done to-day through other channels. The municipal governments and the provincial governments, charitable and other associations are doing that work. I believe under this bill there will be great benefit to those people who find themselves, in their old age, without sufficient means for their maintenance. There are many people in this country and in all countries, who, through the course of their lives, in some cases not due to their own fault, and in other cases due to their own fault, have been improvident and have not saved up for the rainy day. Anyone who has been associated with pioneering throughout Canada will realize that there are men who were pioneers for years in this country, and although they have failed to provide for their old age, yet through their efforts and their labours have contributed much to the prosperity of those by whom they were employed.

The proposal to make a federal grant in conjunction with the provinces does not involve the introduction of any new principle, as is well understood in this House. Between the years 1917 and 1920, I think, the government of that day brought down legislation whereby $20,000,000 was set aside to be devoted to the expenditure on roads throughout the Dominion of Canada, known as the national government's contribution to the good roads policy. That principle was accepted; it also has been accepted in the matter of technical schools. We enter the provincial field when every year we vote money in aid of agriculture, and it has been accepted as good policy. The central idea of this bill is the establishment of an old age pension scheme under which the Dominion and such provinces as come into the scheme will each bear one-half of the pensions payable, any administrative expenses to be met by the several provinces concerned. It is expected that the administration will be entrusted to existing provincial organizations such as workmen's compensation boards, and that the administrative expense will thus be very small.

Mr. MANION: The minister says this is a scheme to be entered into with the different provinces, but since he has read the report he knows that last year the provinces spoke practically unanimously against it. Has the minister any other reply from the provinces since which would indicate that they had changed their mind?

Mr. KING (Kootenay): We had a reply from the province of British Columbia, which passed a resolution asking for it. The committee did communicate with the various provincial governments, and we have replies from those governments, but apparently the provincial governments to date have not given serious consideration to the old age pension question. The reply from the Premier of Ontario is dated 24th November, 1924, and contains this statement:

> I should be glad to consider the matter.

The Manitoba government state that they will be glad to consider the matter with the Premier and the Minister of Public Welfare. The Saskatchewan government wrote that they could see great complications and difficulties in the way. There was no refusal on

the part of provincial governments to enter into the scheme.

Sir HENRY DRAYTON: Has there been anything further?

Mr. KING (Kootenay): No.

Mr. HANSON: Has the minister observed the remarks of the Premier of the province of Quebec which have appeared in the press?

Mr. KING (Kootenay): I have not seen them.

Mr. HANSON: In his reply he states absolutely that there is no necessity for a measure of this character.

Mr. KING (Kootenay): The proposed bill would not compel any province to enter into the scheme; it is entirely optional with them whether they go into it or not. I have no doubt that when the bill becomes law the advantages to the various provinces will become so apparent that the proposition will be generally accepted throughout Canada.

In order to ensure that provinces which come into the scheme shall be able to rely upon the continuance of the federal grant, it is proposed that this should depend upon an agreement between the Dominion and each of the several provinces, the agreement to be terminable only upon the repeal of the provincial legislation authorizing the payment of pensions, or upon ten years' notice by the Dominion. Upon notice being given, the province may cease granting fresh pensions and will thus find itself at the end of the term of the notice free from liability, except in respect of such negligible number of pensioners as may have continued to receive pensions for at least ten years.

It is considered desirable that the scheme should be indentical in all the provinces and the bill, therefore, specifies the classes of persons who will be entitled to pension. They must be British subjects of 70 years of age and upwards who have been resident in Canada for at least twenty-years before making application, and who have lived in the province in which the application is made for at least five years.

The maximum amount of any pension is to be $240 a year, and from this is to be deducted any income receivable by the pensioner in excess of $125, the upward limit of any pensioner's income, including pension, being thus $365 a year, or $1 a day. No one is pensionable who makes a voluntary transfer of property in order to qualify for pension, but the dwelling house in which the pensioner resides may be transferred to the pension authority, in which case its annual value is not to be counted as income. Any excess payment of pension on this account is, however, to be recoverable out of the sale of the house by the pension authority when the pensioner ceases to live in it. Provision is also made for the recovery of all pension payments when a pensioner's estate at his death goes to someone who, during his life, has not made a regular and reasonable contribution to his support.

Where, although the pensioner has resided in Canada for twenty years, his residence has been partly in one province and partly in another, the several provinces of residence which have come into the scheme are to contribute to the pension in proportion to the length of the pensioner's residence in each. If he has lived for part of the time in a province which has not come into the scheme, the total pension which would otherwise be payable is to be proportionately reduced.

The bill contains the general principles governing the scheme and provision is made for details as to evidence, method of payment, reports and other like matters being covered by regulation. These, before they are put into force, it is proposed to discuss with the province desirous of making agreements with the Dominion in accordance with the act.

Mr. EULER: Is there any discrimination so far as the naturalized citizens of Canada are concerned, as compared with the native born? It was referred to in the report of the committee last year.

Mr. KING (Kootenay): No there is no discrimination under the bill. The committee's report required twenty-five years' residence. I believe this legislation will be of advantage to the people of Canada and will render service to a class of people whom we will always have in our midst and whom we must, from the human point of view, at least provide for in some way, and under this scheme there will be a central authority and one universal scheme that will operate throughout Canada, I believe, to the advantage of this system of taking care of our old people.

Sir HENRY DRAYTON (West York): I do not rise with the purpose of quarrelling at all with the general policy that this country ought to look after the people who should be looked after. I am not at all sure that they are going to be very much better looked after, however, or that we are going to make very much progress by the adoption of this resolution or the statute that will follow it. In view of the statements of the minister on the other hand, it would seem to me that this is another way of stalling the situation.

We have had nothing further from the provinces. We know where the provinces stand. Now, in the first instance, the minister refers to a query from my right hon. leader as to the cost of governmental legislation as introduced and covered by the resolutions of that day. They covered many things. They were all financial resolutions, and did not have reference merely to this bill.

Mr. KING (Kootenay): I had just moved the resolution which was on the order paper and the leader of the opposition (Mr. Meighen) said:

I should like if the government could give us an estimate of what the resolutions on the order paper just read will cost the revenue of Canada. I do not expect a close estimate at all, but say within a hundred million dollars.

Sir HENRY DRAYTON: The whole of the resolutions read that afternoon.

Mr. KING (Kootenay): I had just read my resolution.

Sir HENRY DRAYTON: There is no doubt as to what is meant. The hon. gentleman is surely not so hard up for an argument in favour of his bill as to try to twist a statement like that. Despite what my hon. friend has said in connection with his argument, there may be more merit underlying this proposition than his argument would lead us to believe there is. I am not at all certain that it is a good thing for this parliament to try to look after other business than its own, to try to look after provincial business, when I do not think the most enthusiastic supporters of this government can say it is looking after, as they should be looked after, matters of pressing Dominion importance. This is entirely a provincial matter.

My hon. friend was quite right in saying that during the period after the war Dominion assistance was given to the provinces; that in connection with roads and housing the Dominion government gave the provinces aid. I admit that was done; but I wonder if my hon. friend does not think the objections which were then made, the force of which was admitted but brushed temporarily to one side owing to the financial position the country found itself in, were not really right and that is that the power of taxation resting in the Dominion, and in the right of the Dominion, should not be exercised in ease of the provinces which, under the British North America Act, have the right of taxation for provincial purposes. The point is rather a serious one. The hon. member did not refer only to roads and housing which, as he knows perfectly well, were matters of emergency having to do with provincial finances at that time and a pressing necessity, not only for the purpose of aiding these works but much more so for the purpose of providing labour to the unemployed and also for the purpose of looking after the shortage in houses, something which otherwise could not and would not have been done. Besides those two temporary matters, matters of emergency, the hon. member referred to agriculture. My hon. friend is right again; we do help agriculture, but we have every right to help it. Agriculture is a Dominion interest just as much as it is a provincial interest. It is a Dominion child, a Dominion care, just as much as it is a provincial care. There we are on common ground, but I point out to my hon. friend that we are not on common ground in connection with this matter and his argument in that regard entirely fails.

Why is the resolution introduced now? This matter is not new; it is old, as my hon. friend says. The government during the four years of its existence played with it; they passed it on from time to time. We had committees and committees; we had reports; we even had reports adopted, but nothing was done. Why? The sole reason nothing was done was that none of the provinces wanted it and to-day none of the provinces, with the exception of possibly one, want it. My hon. friend thinks he can vouch for that one, namely, his own province of British Columbia.

I want to refer the House to the material it has before it just to show how this matter was really gone into for the purpose of seeing whether the provinces wanted it or not, and then I am going to consider very shortly why the provinces would not want it. Hon. members will find at page 455 of volume 62 of the Journals of the House of 1925 a report by the special committee appointed to inquire into an old age pension system for Canada as to the stand of the provinces. I think I had better read the report. It states:

Your committee has given careful consideration to the aforesaid correspondence, and also to the correspondence more recently received from premiers and ministers of several provinces. Briefly, the views of the several provincial governments are as follows:

1. New Brunswick.—Under date of May 23, 1925, the Premier (Hon. Mr. Veniot) writes: "This province is now considering the establishment of what is known as widows' pension, and we are not prepared to take any decision in the matter of an old age pension. While I do not disapprove of the old age pension, and feel that it would be a good thing, yet it would be impossible for me to commit the province to any action in this matter at the present moment."

That is the stand of New Brunswick and the minister tells us that nothing has been heard from that province since then.

2. Quebec.—Under date of February 17, 1925, the Minister of Public Works and Labour (Hon. Mr. Galipeault) writes: "On the occasion of the recent visit of the delegates of the Trades and Labour Congress of Canada, this question was taken up and, although it was not submitted in the regular way to the cabinet, I understood from the remarks of my colleagues that it could be no question for the province of Quebec, considering the obligations actually imposed upon it, of adopting a law which would take care of the old age pensions in this province."

We there have a definite refusal and the press of this week confirms again that refusal.

Mr. FORKE: Will the hon. member repeat that because I could not catch it?

Sir HENRY DRAYTON: I just paused to point out that in the correspondence which the leader of the Progressive party will find at page 455 of volume 62 of the Journals of the House of Commons, Quebec gave a direct negative to the proposal and that direct negative of Quebec then given by the Minister of Public Works and Labour of that province is confirmed by the premier of the province himself only this week.

3. Nova Scotia.—Under date of June 2, 1925, the Premier (Hon. Mr. Armstrong) writes: "In view of the importance of the subject-matter, and the lack of an opportunity to fully consider the same, I was instructed to advise you that without a further and better understanding of the subject-matter and without an opportunity to fully discuss it with your committee, no action would be taken upon the matter at present."

No action has yet been taken. There was time and opportunity for a better understanding, but this government in its haste to introduce this legislation for a very obvious reason which has been explained in the House more than once, has not taken up the question again with the province which thus writes and has heard nothing further from it since.

4. Prince Edward Island.—Under date of May 22, 1925, the Premier (Hon. Mr. Stewart) writes: "In this province, as you probably are aware, except in the towns, we have no municipal government, consequently all assistance to indigent and aged persons is furnished directly by the provincial government, either in the provincial infirmary or by monthly contributions to private persons who become responsible for their support. I have read over your letter and the accompanying report with interest. I shall place the matter before my government at its next meeting and will then advise you of its decision."

No decision has yet been made, nor has there been any further exchange of correspondence such as might have made it easy to get some real progress in the matter. Furthermore, the difficulty of the provinces in dealing with the proposal is amply illustrated by that letter. The province has its own machinery for looking after the aged and the indigent, and it takes care of them either in private institutions or by means of donations or payments to families who will take the needy in and care for them. What will the provinces do with all that machinery? Are they going to scrap their own machinery? I do not know how the provincial organizations have worked out but I should have thought certainly that this was a question for the people of the provinces themselves to settle one way or the other. I am at a loss to know what is to become of all these various provincial institutions throughout the country. There is some provision in the matter of relief to the aged and indigent in nearly all the provinces, and I believe there are a few provinces that have not recognized their obligation in this regard. But generally speaking, either through the municipality or through the province as a whole, they have at least taken some steps in the direction of caring for those who are in destitute circumstances within their territories.

Now I come to Ontario. The letter received from that province is quite brief. Under date November 24, 1924, the Premier writes:

I shall be glad to consider the matter.

And there it stands. On behalf of the province of Manitoba the Attorney General there writes under date February 25, 1925:

We are in the midst of our session just now with a multiplicity of matters requiring immediate disposition. I shall, however, take the matter up with the Premier and the Minister of Public Welfare at the earliest opportunity.

And this government, although that session was concluded months ago, have not done a thing in the way of considering the question with the authorities of Manitoba. Again, the matter rests in abeyance. As regards Saskatchewan, the Hon. Mr. Gardiner, the present Premier of that province, writes on November 19, 1924:

The government of Saskatchewan is of opinion that an old age pension scheme for Canada can be best adopted by the federal government alone.

There we have a new light on the subject. A new idea is given us, but of course it is opposed to the principle of this scheme. That idea is that instead of a fifty per cent division as the minister proposes, the Dominion government should meet the whole cost. The letter proceeds:

There would seem to be so much difficulty in the way of providing any scheme that would be suitable to all the nine provinces of Canada as to make it almost impossible, and it will be readily understood that if any number of the provinces were to remain out, it would be almost impossible to adopt any scheme which would not subject those provinces within the arrangement to considerable expense that should rightfully be borne by those outside the scheme. While we are disposed to think that an old age pension scheme should be undertaken, the difficulties in the way of the suggested scheme appear almost, if not entirely, insurmountable.

That is what the great province of Saskatchewan says in connection with this proposal, and in connection with the report upon which this bill is drawn up. The objections of that province to the scheme are summed up in the opinion that the difficulties are insurmountable. Apparently they have the idea in Saskatchewan that there are real differences between the various provinces, that there is a separate problem to be faced in relation to each province in the matter of relief, and that therefore it is almost if not entirely impossible to devise a method that would be suitable to the whole Dominion, owing to the great diversity that exists in the conditions throughout the country. Of course, that diversity must exist. There is a diversity in the character of the employment available to the people in each province, and, depending upon the extent of the unemployment that prevails in the various parts of the Dominion, there exists to a greater or lesser degree the necessity for this relief. Well, who is to say that Saskatchewan is wrong? The minister in introducing this measure very easily answers these arguments by disregarding them altogether. He pays not the slightest attention to the suggestion that a scheme of this sort will never operate successfully. We have not the faintest argument offered in answer to the position taken by Saskatchewan that there are differences between the provinces, that there is a difference in the weight of obligation, having regard to the facts in each province. That contention, made about a year ago, is left entirely unanswered; the minister makes not a single suggestion to show that the point is improperly taken.

4 p.m.

We come next to Alberta. On June 2, 1925, the acting premier of that province wrote:

This government has reviewed the recommendations of the committee and approve of the general principle of old age pensions. We are not prepared, however, to accept the recommendations of the committee. The three main objections are:

(1) We believe that the federal government should assume a larger share in the financing of an old age pension scheme, as it is more a federal obligation than a provincial one.

The writer there, I fancy, was thinking of the demands upon his treasury rather than of obligations or of law. Of course, he is absolutely and entirely incorrect. However, he does not like the scheme, whether his reasoning is right or wrong.

(2) We are not satisfied that a non-contributing scheme is the best one.

We have not heard anything on that point from the minister, to-day.

(3) There is no guarantee that the federal government would continue for a definite time to carry out the mutual arrangements with respect to financing the scheme.

I may observe that the government has considered that point; it has not forgotten all about these things. The government has answered in this legislation the points that can be answered, but it has tied the hands of the country for a definite period of ten years. It leaves the matter in the hands of the provinces. To be fair to the government, they have got over the third objection raised by the Acting Premier of Alberta, but the other two objections they have left unanswered. Now I come to British Columbia.

Mr. WOODSWORTH: May I ask the hon. member how it would be possible, if the Dominion had an old age pension scheme, for the arrangement to be contributory, seeing that it would call for contributions from the various provinces?

Sir HENRY DRAYTON: My hon. friend has put his finger on the crux of the whole question. What is behind that question of his? What is it that gives merit and weight to it? Simply this: if you make the scheme contributory you enter at once upon the domain of property and civil rights, and that is absolutely in the hands of the provinces. The whole thing is provincial and my hon. friend's point is well taken. No contributory scheme, no insurance, nor anything of that kind could be worked out through the agency of the Dominion. It must be left to the provinces. The point, I repeat, is well taken. Let us now take British Columbia. Under date of February 5, 1925, the Minister of Labour of that province writes:

This matter has been carefully considered by the government and also by the provincial legislature at its last session and the consensus of opinion is that the matter of old age pensions is one entirely in the sphere of the federal parliament—

Of course they want the Dominion to undertake it. They think they have absolutely nothing to do with it. They do not want to pay half, they want us to pay 100 per cent. I read further:

And this government does not concur in the suggestion made by the committee that a portion of the cost of such pensions be borne by the provincial crown.

In a resolution passed unanimously by the British Columbia legislature on December 18, 1924 the following statement is noted:

State responsibility in the matter of the proper maintenance of aged citizens has been recognized—.

This is going on to the report, and perhaps I should not read that. There is a further letter here from British Columbia dated March 5, 1925, which I think should be

read in order that we may have before us the stand of all the provinces. The letter is from the Minister of Labour of British Columbia, reiterating his former opinion. He says:

I beg to say that the matter has had very serious consideration on the part of this department and the opinion is confirmed that the matter of old age pensions is a subject for the consideration of the federal and not the provincial parliament.

Then on June 2, 1925 Premier Oliver wrote further:

Your explanation of how the proposed scheme was expected to work certainly tends towards a better understanding. Should the parliament of Canada pass legislation along the lines suggested in your printed report of last year, I presume the question would then arise as to whether or not the province would co-operate.

So there we have the whole story of the position of the different provinces. With further reference to the point I made as to this being entirely a matter for the provinces, the opinion of the Deputy Minister of Justice was taken, which will be found at page 457 of the same volume. His letter is as follows:

Referring to your letter of the 12th instant, asking to be advised with regard to the authority of parliament to legislate on the subject of old age pensions, I may say that this subject does not fall specifically within any of the enumerated subjects given to the Dominion under section 91 of the British North America Act, but does in my judgment fall within the subject "Property and Civil Rights in the Province" committed to the provinces under section 92. I am of opinion, therefore, that the subject matter of pensions has been entrusted to the provincial legislatures rather than to parliament. I do not mean to suggest that parliament has not the power to legislate upon the subject so as to assist the provinces or to establish an independent voluntary scheme, provided that in either case the legislation does not trench upon the subject matter of property and civil rights in the province.

In other words, providing we just make a gift of so much, no matter what comes of it.

As, for example, by obligating any province or person to contribute to the scheme. The enactment of such legislation would, however, involve the assumption by the Dominion of obligations involving heavy expenditures with regard to a matter which does not fall specifically within the Dominion field of legislation.

For the reasons set out in these letters and for the reasons set out in the report, this government last year took no action. They could not take action, because there was no common ground, and they were only seeking to deal with this matter upon common ground and with the help of the provinces. To-day we know no more about it; the matter has not been advanced in the least.

Now as to the cost. My hon. friend, in introducing the measure, said the matter was already being looked after, so he said it would not cost any more money. If it is being properly looked after, so that it will not cost any more money, what is the reason for this bill? Why in the name of common sense disturb anything which is being properly looked after? If it is not going to add to expense, why go through the form of adding to expense? My hon. friend knows that is not the situation at all. He could not be serious in advancing this resolution if he were serious in making rash statements. The minister says that the cost is set out in the report as $11,860,000. My hon. friend there is absolutely and entirely wrong; he just illustrates, Mr. Speaker, a common error which many of us fall into, in assuming that this cost comes out of this parliament. It does not; it comes out of the taxpayer, and this sum only represents half of the cost. The provincial parliaments, in the same way, have to burden the taxpayer, so we have to just multiply my hon. friend's figure by two in order to find out what burden will be placed on the taxpayers of this country. What difference does it make to the taxpayer whether the tax collector represents the province or the Dominion? What difference does the colour of the tax collector's uniform or the address of his office make? We have to double the amount my hon. friend has given, and as a result, on his own showing, the cost of the proposed bill amounts to $23,721,840, plus the cost of administration, whatever that may be.

It is just as well, Mr. Speaker, that we look at these things fairly and honestly. In principle every right thinking man wants to help those who should be helped, but there are limits beyond which we should not go. Every right thinking man knows that taxation is one of the things which is making for unemployment, a condition which prevents these people whom we think ought to be helped from looking after themselves. Every student of economy knows, for example, that the cost of living in free trade England has gone up enormously as the result of taxation, and everyone knows that an enormous contributing cause to that taxation is the dole system. I believe that everyone thinking of this question seriously believes that the very first thing to be done in Canada is to make our country a place where people may live and get their jobs before they are seventy years old. One of the best ways to do that is to cut down the cost of government administration.

Before this resolution carries, Mr. Speaker, I should like the Minister of Finance (Mr. Robb) to make a statement as to the method of financing this proposition. I observe that the minister is now in such a position that he is actually making provision in this bill whereby he may further add to the debt of

this country for the purpose of paying these pensions. Hon. gentlemen will find that provision in the fourth paragraph of this resolution. Surely we are entitled to that information before this matter is finally dealt with. I hope this question is not to be simply played with, and that it is not merely raising false hopes in the minds of the people, as was done in connection with the other committee procedure. I hope we are not going on with it just because this government know, as I am inclined to think they do, that the provinces will have none of it, and that the whole thing is just an idle gesture. We are entitled, I think, Mr. Speaker, before this resolution passes, to a statement from the Minister of Finance; we are entitled surely to a statement from the government as to how this matter stands in connection with the different provinces, and as to how much it has been advanced since last year. I think we are also entitled to a statement of what is to become of the different schemes for relief already in existence. The province of Quebec have their schemes, and they do not want this. The province of Ontario have theirs; they are already paying mothers' pensions, for instance.

Mr. HEAPS: That is not an old age pension.

Sir HENRY DRAYTON: No, but they pay mothers' pensions, and besides that, the province of Ontario has the most up-to-date and efficient Workmen's Compensation Act in existence, and which to-day covers the case of a good many people who are over seventy years of age. What is to become of that? What is the general idea as to the interrelation of all the different schemes which we now have and this one?

Mr. WOODSWORTH: I wonder whether the hon. gentleman would explain how the Ontario Workmen's Compensation Act is in the most remote degree related to old age pensions.

Sir HENRY DRAYTON: My hon. friend is quite right, and he is also quite wrong. He is quite right on the face of it; they are entirely different; but he is quite wrong in how it works out, for this reason, that men over seventy years of age, unable to work, who otherwise would be indigent are being looked after under that scheme. The idea of this scheme, which is a government scheme, a pension act, is just the same as the other, although there are differences because in the case of the one we have the principle of contribution and the like.

Mr. WOODSWORTH: I do not think the hon. gentleman really believes that a man who is injured continues to enjoy the benefits of the Workmen's Compensation Act until he is over seventy years of age.

Sir HENRY DRAYTON: Frankly, I think my hon. friend will find a good many who have been injured living to over seventy years of age.

Mr. EULER: Does the hon. member mean to say that the Ontario Workmen's Compensation Act covers the cases of men over seventy years of age, merely because they are of that age, apart from their being injured?

Sir HENRY DRAYTON: Not at all. There is simply an overlapping there.

Mr. KING (Kootenay): There will be no overlapping. A man drawing a pension of less than twenty dollars under the Workmen's Compensation Act, because of permanent injury, would have that amount deducted from what he could draw under this scheme, and if he drew more than twenty dollars a month he would not be eligible under this scheme.

Sir HENRY DRAYTON: Suppose we let that go; my hon. friends can have that little scrap of satisfaction.

Mr. EULER: We just want the matter put right.

Sir HENRY DRAYTON: My hon. friend does not want it right, not in reference to this, because if he did, he would want something that was definite and that meant something, and that he knew would be operative. What is to become of all the industrial homes of the provinces, what is to become of mothers' pensions? The provinces have to make up their minds as to these things.

Mr. DUNNING: My hon. friend says that this proposal will overlap the mothers' allowance scheme. I think I am right in saying that all payments under mothers' allowance schemes are based upon the number of children under the age of sixteen years. That being the case, will the hon. gentleman explain how the mothers' allowance scheme can overlap this one?

Sir HENRY DRAYTON: My hon. friend is perfectly correct, but I think he will find in Ontario that there are many indigent mothers being looked after to-day.

Mr. KING (Kootenay): Surely, in every province.

Sir HENRY DRAYTON: The minister himself admits that.

Mr. DUNNING: Not under that scheme.

Sir HENRY DRAYTON: I do not care what scheme it is, so long as they are looked after. So long as there is a measure of public help being given to them, I do not care what the scheme is, provided it is effective, and here we have the minister saying it is effective.

Mr. KING (Kootenay): I did not say it was effective. I said they were being looked after.

Sir HENRY DRAYTON: I think my hon. friend said before, effectively. What is to become of all the industrial homes, and that sort of thing, which are being kept up at the present time? Is there to be anything done in ease of the provinces and the municipalities when they abandon all these kinds of relief and the investment that is there? But they cannot abandon them. When the hon. Minister of Railways is addressing himself to this motion, will he kindly point out in which direction he thinks his minister in Saskatchewan was wrong in his letter of November, 1924? If he would do that, it would tremendously help the situation. Perhaps my hon. friend will say that that letter is all nonsense and wrong. Perhaps he does not think there is any difference between the nine different provinces, and the like, but at any rate, let us hear from him and see whether the change of climate and the change of atmosphere down here has worked a complete change in his views.

Then there is another thing. Do my hon. friends think it is fair for the ratepayers of one province to contribute to the cost of a scheme in another province? Here is the province of Quebec definitely saying through its premier: We won't go in; there is no necessity for this scheme. Suppose British Columbia goes in. What is the result? To the extent that the citizens of Quebec as federal taxpayers pay taxes, to that extent and in that proportion will they be paying the cost of this scheme for British Columbia.

Mr. NEILL: Were not the same identical arguments advanced against the grants to the provinces for good roads, that the provinces that took advantage of the scheme would be getting ahead of those that did not?

Sir HENRY DRAYTON: My hon. friend has apparently just come into the chamber. I dwelt before with the precedent of good roads and housing, and I am not going to take up the time of the House referring to that again, except simply to say that that was a temporary thing, as my hon. friend well knows, as he was in the House at the time. It ran for a certain length of time only, and there was a fixed amount, and further, it was done for the purpose of giving employment at a time of crisis, and also to help the provinces in their financing. But this is an entirely different thing. This is permanent, and the fact remains that Quebec will be called upon to pay a far larger share of the cost of maintaining those requiring relief in British Columbia than will the British Columbia taxpayer be called upon to pay.

Mr. KING (Kootenay): That is not possible at all. The British Columbia taxpayer assumes half the burden at once. Then the other half is divided proportionately.

Sir HENRY DRAYTON: My hon. friend again has not caught the point. I do not know what the trouble is; I am trying to make it clear. Let me say again, the Dominion taxpayers of Quebec province will pay as Dominion taxpayers far more than the Dominion taxpayers of British Columbia will pay as Dominion taxpayers to the support of British Columbia pensioners.

Mr. KING (Kootenay): You did not say it that way before.

Sir HENRY DRAYTON: I am trying to make it clear even to my hon. friend. If you start wrong you cannot get away from that sort of thing. As I say, this is a matter which ought to engage the sympathy and the best thought of every one of us, but I submit we are not getting anywhere with such a proposition as this.

Mr. ROBERT FORKE (Brandon): This is an important subject and one which requires very careful consideration by every one of us before the resolution is adopted. I have listened with attention to the criticisms which have been advanced by my hon. friend (Sir Henry Drayton). He has been very moderate and, perhaps, has pointed out what may be called weaknesses in the scheme. At the same time I believe the proposal is one of so much importance, is one of such pressing necessity, that it cannot lightly be cast aside. A short time ago—I do not recollect whether it was last session or the session before—a committee of this House considered the whole matter and reported in favour of old age pensions. I think we have to take that fact into consideration. Reference has been made to the attitude of the different provinces, and I followed carefully the remarks of the last speaker on that point. I think that by none of them, with the exception of the province of Quebec, was a negative answer returned to the questions that were asked. Considering the answers of provincial governments on the whole

you might regard their language as favourable. I noticed that a resolution with respect to old age pensions was introduced in the Manitoba legislature, which is now sitting, and one of the speakers declared the matter was one for the Dominion parliament to deal with; he appeared to think that it could better be dealt with by the federal authority. I am therefore inclined to believe that the province of Manitoba is in favour of Dominion legislation in regard to old age pensions. The province of Saskatchewan is in favour of the Dominion taking this matter up. So is the province of Alberta. The provinces of Ontario, Prince Edward Island and British Columbia have not had anything to say in opposition to legislation by the Dominion on the question.

It may be asked, "Why enter into any more commitments when taxation bears so heavily upon the people at the present time?" The question is a pertinent one. Everyone recognizes that Canada is a heavily taxed country. Coming from the province of Manitoba I may say that there the legislation along this line is as advanced as in any other province of the Dominion. I recognize, however, that it is possible to travel too fast, and that it is possible to pay too high a price for something that may be very desirable. At the same time I am not prepared to admit that an old age pension system is going to increase the burdens of the people or to add to taxation to any extent. A great many people in this country are taken care of in other ways than by an old age pension. There is a large class of the people whose circumstances place them far beyond the possibility of want or of requiring public assistance of any kind. There are also civil servants and employees in public institutions and corporations who are taken care of by pensions in their old age after a certain number of years of service. But the present resolution deals with an entirely different class of our population, and it is a class with whom I have a great deal of sympathy —I refer to the ordinary people, the common labourer if you please, the man who works for a day's wage and finds it difficult to provide for the daily necessities of his family and himself much less to lay by anything for his declining years. This man has rendered a service to his country, he has well earned the pension that may be coming to him in his old age; and although the providing of pensions may press somewhat heavily upon our people I cannot help feeling that those who pay the taxes are quite willing to do something for those poor unfortunates who do not earn sufficient to lay by anything for a rainy day. So I am quite prepared to consider this matter seriously, and see if we cannot evolve legislation that will meet the situation. In any case these people have to be taken care of. The last speaker wondered what we were going to do with some of the public institutions that we already maintain. I do not know whether my hon. friend is aware of the fact that this legislation, if it goes into effect, will only take care of a certain section of our population, those who have been twenty years in the Dominion. There are other requirements which have to be met before pensions can be granted so that a numerous section of the Canadian population will be unable to take advantage of the provisions of any act we may pass. From some little experience I have had in connection with the administration of certain public charities in the city of Winnipeg, and I have already mentioned this fact in the House, I am inclined to believe, there are people in receipt of what is called charity who should not be reduced to that necessity. As I have already said, they have given sufficient service to the country to entitle them to financial assistance to meet the necessities of their old age, and the aid so granted should not be regarded in any way as charity. I should like to see the spirit of thrift inculcated amongst our people so as to try and ensure that they will not at any time be in the position to need public aid. I can look back to my boyhood days in the Old Land beyond the seas, and I can remember how abhorrent the idea of charity was to the people there. I remember, and I allude to it with pride, the sturdy honesty and independence so characteristic of the Scottish people. So marked was this characteristic that they would have to be very hard up before they would accept anything in the nature of charity. I do not want the old age pension to be considered in that light. I would rather have it regarded as something which the people receiving it earned during the long years in which they toiled for a living.

There is one section of the resolution of which I should like to have an explanation from the minister. It is that section which says that the receipt of a pension shall not by itself constitute a disqualification from voting at any provincial or municipal election. There is no reference to a Dominion election, which leaves it open to doubt whether the person in receipt of this pension would be able to vote at such an election.

Mr. KING (Kootenay): In order to clear up that point I may say that some of the

provincial acts do not allow voting where pensions are paid. That is not the case under our law and therefore the voter would not be affected under this legislation.

Sir HENRY DRAYTON: Will the minister answer a further question just on that point? Has he been advised what jurisdiction the Dominion has over the voting qualifications in a municipality or in a province?

Mr. FORKE: I do not think I have much to add to what I have already said. I have considered this matter rather seriously. I appreciate the criticisms that have been made by my hon. friend (Sir Henry Drayton) but I hope that partisanship will not be allowed to obtrude in the discussion of this question. I am always afraid to make a statement of this kind for fear I should be misunderstood, but this is a matter of supreme importance to a very large portion of our people, and it has been introduced by the government. There may be some criticism on the government side, and I should like to hear hon. members tell us if they have any fault to find with the proposal and to say whether they are going to vote against it. I should also like to hear my hon. friends to my right tell us whether they think it a good bill. If they wish to see it put into effect, let them say so. Let us consider the matter upon its merits. It is of too much importance to be made a party football. I am quite serious when I talk in this strain, and I hope this resolution will receive the serious consideration which it deserves.

Mr. PETER HEENAN (Kenora-Rainy River): I sincerely hope the hon. member for West York (Sir Henry Drayton) does not reflect the opinion of the majority of the members behind him, because I have always heard that the Conservative party have been foremost in the advancement of legislation of this kind; at least I have heard them take that position during election time, and I would not like them to lose their reputation. I hope they will carry on in the House as they do on the platform. At first I believed the hon. member for West York was going to support this resolution, but I actually felt, when he had closed his speech, that he had been opposing it; at least if he was not opposing it, he was quoting from every angle possible to throw cold water on the old age pension scheme. He started out by saying that he thought it was a proper thing for the Dominion government to mind its own business and not interfere with the business of the provincial governments. I think it is the business of the Dominion government to look after the old worn-out industrial workers and pioneers of this country, and if they can do something to assist the provinces in this matter it will be a proper policy to pursue. The hon. member for West York stated that none of the provinces wanted this scheme. He went on to point out the difficulties in the way of the provinces getting together. As I understand it, this is an act to assist the provinces. Under this act the Dominion government is willing to assist the provinces to arrive at a uniform basis, and as the hon. Acting Minister of Labour stated, it does not compel the provinces to come in. The hon. member for West York also left the impression on the House, that there would be some duplication, inasmuch as some of the provinces have workmen's compensation acts already. If he will look at the provisions of the bill he will see that no one earning $240 a year will be able to participate in this pension.

Sir HENRY DRAYTON: My hon. friend has not the point at all. The question is, where you had that duplication, which would you adopt? Would you abandon the local scheme and go on with this proposition?

Mr. HEENAN: Yes, I have got the point. The hon. gentleman spoke of the duplication of payments. The minimum payment under the Workmen's Compensation Act of Ontario is $12.50 per week, and if my hon. friend will figure it out he will see that no one receiving that compensation, though he may be 70 years of age will come under this old age pension scheme. My hon. friend also asked why there is the provision in the bill with regard to voting in municipal and provincial elections. He asked what jurisdiction the Dominion government had to make provision in regard to provincial elections. This is an agreement entered into by the Dominion with the provinces. One of the regulations is, that if the provinces accept this proposition they must not prohibit anyone in receipt of a pension from voting at provincial elections.

Sir HENRY DRAYTON: It is not in the resolution.

Mr. HEENAN: It is in the resolution. I think the hon. member will find it in paragraph number 6. The hon. member stated that the provinces were looking after the older people in some way or another, and in the next breath he stated that this was done by houses of refuge or poorhouses, and he asks, what are we going to do with these buildings? Surely it is about time we were

taking better care of our old people, to prevent them being stigmatized as paupers after they reach the age of seventy. The time has come when old, worn-out industrial workers who are not able to earn over $240 a year, ought not to be stigmatized as paupers or placed in poorhouses. I was in the Old Country last summer and had an opportunity to witness the beneficial results of a scheme of this kind. I found some of the happiest people from 70 to 86 years of age, living on their allowances, living in many instances with their children, or living alone, without being stigmatized as paupers. This proposed scheme will not duplicate the existing system of relief. It is true the municipalities and the provinces have at the present time facilities for taking care of old people, but in discussing a bill of this nature, designed to provide for our worthy pioneers, we ought not to give much consideration to the question of preserving old, worn-out poorhouses made of brick and mortar.

Another point I want to make is that the cost of this scheme, whether you call it $11,000,000 or $23,000,000, has been arrived at after taking into consideration the number of people who will be eligible to share in its benefits. Under the provisions of this bill the railroad men will not be entitled to pensions, and those employed in many other institutions which have adopted pensions for their employees will not come under it, because their pensions will exceed the maximum amount provided for here; therefore the total cost will be very much less than has been estimated.

It is true that many of the provinces have instituted social relief of a very humane nature. Some provinces have passed a Workmen's Compensation Act and a Minimum Wage Act for men and girls and have taken care in a general way of those less able to take care of themselves, but none of them has undertaken the care of worn-out people of 70 years or over who have not been able to provide for themselves.

In my opinion this government is entitled to great credit for introducing this measure and making provision of which the provinces can avail themselves. I think, Mr. Speaker, that all who have in any way represented workmen whether politically or industrially will agree that one of the greatest fears among the working class is that of not being able to provide for old age, not being able to earn sufficient wages to ensure that in the evening of life they will not be stigmatized as paupers. This fear has a very unsettling effect which this legislation will very largely remove. I do not agree, of course, that the amount of the pension is sufficient, but the measure is a step in the right direction.

The immediate expense in connection with the scheme will not be great because it will take probably one more year for some of the provinces to come in under the provisions of this legislation. The provinces will not be put to any great extra cost in administering this scheme because they have the Workmen's Compensation Board, the Mothers' Allowance Board and other facilities that are already created.

Public opinion is advancing very quickly along these lines. Listening to the hon. mem- for West York a little while ago, I wondered if he had read the speech delivered by a good Conservative over in the Old Country, the Right Honourable Mr. Amery, the present Secretary of State for Dominion Affairs, on the 27th July last. I had the pleasure and honour of sitting in the gallery of the House of Commons in London listening to that right hon. gentleman, and he made a speech in which he eulogized the old age pension scheme and the unemployment insurance scheme commonly known in this country as the dole. When we hear a gentleman of his standing, a member of the Conservative party in the Old Country, eulogizing these measures, surely we at least ought to concede there may be some merit in them. I have his speech under my hand and he says the fact that Canada has not this kind of legislation, namely, old age pensions, unemployment insurance and so on, has a tendency towards keeping desirable citizens of Great Britain from emigrating to this country as they realize that in their old age there will be no provision for them.

I want to point out also to the hon. member for West York that the Premier of Ontario only last week stated on the floor of the legislature that he was considering the question of an old age pension plan, but he was watching very carefully the progress of the bill in the Dominion House. I am satisfied that Ontario will be one of the first to take advantage of this bill and to come under it. I do not want to delay the House in going into the merits of old age pensions. Most hon. members probably know more about the question than I do, but I know it is humane legislation and I hope the majority of members on both sides of the House will vote for it.

Mr. R. S. WHITE (Mount Royal): Mr. Speaker, I desire very briefly to record my objections to the resolution now before the House. Personally, I am disposed to agree with the view of the hon. member for Bran-

don (Mr. Forke) that this question should be treated as a non-partisan one. It affects all classes. It has never been to my knowledge the subject of a debate upon the platforms of this country. It is practically a new question before the people of Canada although it has received some consideration by committees of this House, and I think we would reach a better conclusion as to the real sentiments of hon. members if the question were made a non-partisan one.

My objections to the resolution are threefold. First, I think it is a mistake that Canada should, by such a measure as this, advertise to the world that our country affords so slight and narrow a margin between income and living that when many people reach the age of seventy years it becomes necessary for the state to step in and maintain them. The hon. member for Kenora-Rainy River (Mr. Heenan) referred to the matter of the dole in England. Surely the dole in England and the proposed old age pension scheme in Canada do not make for thrift on the part of the people. On the contrary I contend that the effect will be to destroy thrift. Again, the amount of expenditure involved is no slight matter. The Minister of Public Works (Mr. King) placed at approximately $12,000,000 the charge upon the revenues of the Dominion, and if the scheme is carried out a charge of some $24,000,000 is involved when the burden upon the provinces is added. Surely an additional annual expenditure of $24,000,000 is not a matter to be lightly considered by a people so heavily taxed as we in Canada are to-day.

I do not know, I cannot tell whether or not the government is serious in this proposal. There is no doubt that the proposal is at present at least utterly impracticable. You cannot pass and enforce legislation of this character until you have the consent and co-operation of every province in Canada without doing a grave and serious injustice to the taxpayer. As to the attitude of Quebec there is no secret. Only on Tuesday of this week the premier of that province, Mr. Taschereau, stated in no uncertain terms that he and his government—and he did not speak as an individual; he spoke for his government, using the plural—that the province of Quebec wants none of this legislation. It had had enough, he said, of legislation of this character from the parliament of Canada in recent years, legislation such as housing assistance, grants for the extension of roads and so on, all of which I personally opposed, although that may be of little consequence, but which grants in their operation have involved serious charges upon the country without adequate compensation to the people. Let me read the words of the Hon. Mr. Taschereau. He said:

> If Ottawa wishes to come to the aid of our farmers, and of our old people, the matter is for them, but I think that the matter should rest with Ottawa, for we are not prepared to go into a system of partnership. If there devolves upon us the need of caring for our old people, and for our farmers in the matter of credits, we will do the best we can under the circumstances, but as to embarking once more upon a system similar to that as to housing, we are not prepared to go.

How would this scheme work out? If this government or this parliament is determined to proceed to put into operation an old age pension scheme, in order to be equitable it must provide a pension of $120 a year for every individual indigent person of seventy years of age and permit the province to supplement that grant by an equal amount, making the $240 referred to in the resolution. Otherwise what happens? Suppose eight of the nine provinces accept this scheme, contributing their $120, and Quebec refuses to join, as it has already refused through the mouth of its premier only this week. The residents of that province would be obliged—the logic is irresistible—to contribute their quota towards the moneys that would be paid to old age pensioners in the other provinces of Canada. In my opinion that one fact, which is indisputable, is enough to condemn the measure and to warrant the government in withdrawing it until it shall have received more mature consideration, or until all of the provinces without exception are willing to join hands and parliament resolves that, under those circumstances, the legislation is such as should be proceeded with.

5 p.m.

Mr. J. E. FONTAINE (Hull) (Translation): Mr. Speaker, I deem it my duty to take part in this debate; however, I shall be brief. I must admit that I am somewhat astonished at the attitude taken by a number of our opponents, seeing that this question has already been thoroughly considered without any reference to party spirit. The hon. member for Mount Royal (Mr. White) has just stated that he is not in favour of such a scheme. Indeed, his statement astonishes me, especially when I see his friends on your left, Sir, and himself rise to oppose this resolution. As far as I am concerned, it is with a deep feeling of satisfaction, I would even add of pride, that I give my support to this measure which will provide a pension for old age.

I see in this resolution the realization of a project which I have cherished throughout my life. Indeed, in the course of the session

of 1922, I had the honour to move in the House a resolution which read as follows: "That, in the opinion of the House, the Dominion government should consider the advisability of devising ways and means for the establishment of a system of old age pensions in Canada." This resolution was unanimously carried at the time. However, it was only in the course of the session of 1924 that the government appointed a special committee, of which I had the honour to be a member, in order to study this pension scheme. This committee in its report to the House, recommended that a pension of twenty dollars per month be paid to every citizen who, having reached the age of seventy, was without any income, providing he was a British subject. Considering that the sum involved to meet the payments of this pension might amount to more than $20,000,000 per year, the committee suggested to the government, owing to the depressed financial conditions of the country, that half of said expenditure should be paid by the provincial governments. I notice that the present bill is based on said report. I am pleased to see it and I wish to congratulate the government. I especially wish to thank the Prime Minister who has always shown himself favourable to this project and always listened to me sympathetically each time I broached the subject to him. Moreover, Sir, as I stated when I moved my resolution in the House, in 1922, it behooves the Liberal party, the people's party in opposition to the large interests, to have such a philanthropic and humane measure adopted. The fact is so true that at the time of the Liberal convention, held in Ottawa, in August, 1919, at the time of our party's important convention, a special motion having such an aim in view was moved and adopted. Sir Wilfrid Laurier, himself, at a large meeting held in Montreal, in 1916, stated that as soon as the war would be over, one of the paramount problems in this country would be the establishment of pensions for old age, and with this aim in view, he said, that he had confided to his principal lieutenants the care of studying this question.

After all, Mr. Speaker, similar legislation exists in almost every country. As early as 1908 the British parliament adopted an old age pension scheme. In France, Germany, Denmark, New Zealand, everywhere, there are old age pensions. Do you not think then that the time has arrived when, in Canada, we should do something for those old citizens, those old servants who have contributed largely to the progress and development of the country, who have worked during thirty, forty and even fifty years to enrich others and have spent their whole capital—as capacity for work, is really the workman's capital—who, moreover, as soon as their strength gives way, worn out by old age and work, are reduced to poverty, become a burden to their children or are forced to take refuge in the poorhouse? I say that it is the duty of the state to come to the assistance of these old people.

Some, perhaps, might remark that these people should have been provident and have practised economy during their youth, but every member in this House knows perfectly well that wages are never sufficiently high to allow of savings, as the wages paid to workmen are always based on the cost of living. The cost of living for a workman's family of five or six children is figured out, and the result of this calculation fixes the wages he is to receive.

How can he possibly economize when he is paid hardly enough to allow the strict necessities to his family? Yet, the workman is entitled as well as the rich man to some comfort in this world, he has a heart, loves his children just like the rich man, and he would like very much to give them greater facilities than he has had in order to face the struggles of life; but how can he realize such a desire with the small wages of two or three dollars per day? I especially made reference to the workmen, because they are the people who will benefit the most by this pension act. However, let it be well understood that all those who have reached the age of seventy, men and women, if they are in need, whether they have had, during their lifetime, a trade or been in business, will benefit by this pension legislation, providing they have lived like honest citizens. One objection which I have heard against this scheme, Sir, is that it would discourage thrift and personal initiative: the workman would be less thrifty being assured that the state would provide for him in his old age. To my point of view, this objection is not a serious one. If this measure, as some believe, was of a nature to create abuses, the European countries, where this act is in force, would think of abolishing it, but on the contrary, they are improving it from year to year. On that score, the government should abolish the retirement funds of the civil employees; the banks and corporations, where such pension funds exist, should abolish them. Quite the contrary, I think that this pension act would be of a nature to stimulate the energy of workmen who would feel themselves backed by the

state, and immigration would benefit through it when it was known that Canada looks after its citizens when they are old and feeble.

I will close my remarks, Sir, and I feel firmly convinced that no member of this House would vote against this measure.

Mr. HENRI BOURASSA (Labelle) (Translation): Mr. Speaker, I regret that I am unable to share the views of my colleague and excellent neighbour from the riding of Hull (Mr. Fontaine). I do not wish to discuss the details of this resolution to-day. It will be time enough when the bill is brought down. However, there are two aspects of the question to which I draw the attention of the government, of members of the House and especially of those from the province of Quebec; it is the constitutional and the social side of the question.

The hon. member for West York (Sir Henry Drayton) discussed the constitutional point of view. To what extent is such a policy within the purview of the Dominion government or especially amenable to the provinces? I leave to the authorities in these matters the task of throwing light on this strictly legal question, or rather of expressing their opinion; however, there is a practical side that immediately strikes me. Let us suppose that a province should take the necessary steps in order to be eligible for its share of the fund constituted by the government under this act, and that another should abstain from doing so. Then, if I understand correctly the resolution on which this bill is to be based a pensioner of both the federal and provincial governments, leaves the province of Ontario to come and reside in the province of Quebec —supposing that Ontario should agree to the act and Quebec should abstain from doing so —he loses his provincial pension, and, the loss of the latter entails the loss of the Dominion government pension, for this government will not pay the pension to each of the pensioners individually; it will contribute to each provincial fund a sum equal to the amount distributed by each province to its provincial pensioners. It is a point which deserves to be considered in connection with the effect it might have, for instance, on colonization. If the settlers in some district of Quebec, be made aware that when their father or mother have grown old, they cannot enjoy the same advantages which are enjoyed in the province of Ontario or in another western province, they may come to the conclusion: "Far better settle elsewhere than at home." This aspect deserves some consideration. I think that legislation of this character should not be definitely enacted before an agreement is reached between all the provinces and the Dominion government. That is the constitutional point of view.

I shall not discuss to-day what might be the consequence in regard to the cost. I think that the time is ill chosen to launch blindly into such a scheme, and open up new avenues of expenditure of which no one can foresee the consequences or the amount it may involve within the next few years. Let us not be deceived: once we venture into such an undertaking, we cannot withdraw. When you have given to a certain class of ratepayers the habit of depending upon the state for their livelihood or support, it is much more difficult to close the door than to open it. That is why I ask you to think twice, even ten times, before you open this door.

Now, let us consider the social point of view. I confess that I perceive with alarm the introduction and development in our midst of the spirit which has started to revolutionize the finances and social order in most of the European countries, develop amongst our people the habit of thinking that under all circumstances, in all their sorrows and difficulties, they may depend on governments, whether federal, provincial or municipal to come to their rescue, minister to all their ills, cure their slightest ailments and fill all the gaps in the family budget. However, I admit that with the economic evolution which is rapidly taking place in the world, in the home budget as well as in the nations' budget, there is something to be done. But why not consider the putting into practice the principle of social insurance? Let the government apply a system of insurance by which ratepayers in the prime of life would contribute a premium which would be afterwards returned to them under the form of a retirement pension, sick pension, accident indemnity, all well and good, I would agree. That is an aspect of modern socialism which deserves to be considered and looked upon favourably, because it admits of the co-operation of both the state and the individual, because it tends to develop in the individual, the young man and the youthful head of a family the sense of responsibility and the spirit of thrift. Let us induce the young men in the prime of life, the men who earn their living and who can put aside savings to deposit with the state a fixed amount according to their age, and in keeping with the choice they will make of a retirement pension for their old age; let the government constitute itself the guardian and administrator of these funds; let them therefore help the pensioner or the

future pensioner with the advantage of a gratuitous administration; you will then have the fruitful co-operation of state and ratepayer, of the common weal and of—

Sir EUGENE FISET (Translation): May I put a question to the hon. member? Is he aware that there already exists a Dominion act which provides a system of indemnity that exactly corresponds to the system which he at present advocates in this House?

Mr. BOURASSA (Translation): Quite so. I thank my hon. friend for having simply anticipated my thought, for I intended to submit to the House the system of the retirement pension—I shall not go into the details—but merely point out the principle of the retirement pension adopted in the service of the government, of the Canadian Pacific and in a large number of important institutions.

Sir EUGENE FISET (Translation): It is not what I mean. I want to draw the attention to the system of annuities payable so much per year, that anyone may purchase each year by paying a fixed amount annually.

Mr. BOURASSA (Translation): Quite so. Let us generalize this system, let us make it accessible to all the provinces of Canada.

Sir EUGENE FISET (Translation): It is.

Mr. BOURASSA (Translation): If it is, then why seek to complicate the economic and social legislation of the country by creating a system which can have no other effect but giving rise to difficulties, jealousies between provinces, between classes of ratepayers and stimulate within our economic and social system the application of the principle of state ownership, which, in my opinion, upsets the economic equilibrium as well as undermines the social institutions of a large number of countries. We had in a large measure succeeded in standing aloof. Well, for my part, unless confronted with very convincing reasons, unless I have the proof that all the provinces of this country are ready to co-operate in the same way, and on the same footing in the application of a system of retirement pensions created by the Dominion government, I do not feel disposed to favour legislation like the present one, and that on account of the dangerous twofold principle, to my mind, involved, and especially as concerns the province of Quebec.

Mr. L. J. LADNER (Vancouver South): Mr. Speaker, I am strongly in favour of the principle of old age pensions. This matter has been before parliament for a number of years. The question which concerns me now is the practicability of the government's scheme and the sincerity of the government in submitting this question to parliament. The principle of old age pensions has been adopted in a number of countries, including Great Britain, Australia, New Zealand, Belgium, France and Italy. Old age pensions is a form of social legislation, an advancement and progress in social legislation in keeping with advancements which have been going on in other forms of legislation during the past hundred years. One of the most serious objections raised against old age pensions is the charge that it involves a very heavy expense to the state. I believe that that contention is an economic delusion. Our aged people are, in fact, supported by the country, but that support is in the form of charitable institutions, the donations of philanthropic and benevolent people, or assistance provided by the children or relatives of aged people. No one will contend that men and women over seventy years of age, the aged people of this country, do not in fact receive the necessary clothing and food which they require, so that the proposal before parliament is not a question of adding to the expense of our country as an economic entity, but rather a question of the method of distributing responsibility.

The question we have to face is, has civilization advanced to the point where the state should take in its hands the distribution of the maintenance and support of our aged people, or must we leave that duty to the kindness and charity of benevolent people? From a purely economic point of view I would like to hear an answer to the contention that old age pensions is not a charge upon the economic state. That is the first point I wish to make.

I recall vividly each day, leaving my office in Vancouver, seeing a man, seventy-six years old, bent with the toil of half a century and ill from his very indigence, engaged in scrubbing floors and in doing the work of a janitor's helper. It is in the actualities of experience that we obtain judgment and advice on the wisdom of legislation, in many cases, and knowing that this matter was coming before parliament, I questioned this old man. I asked him about his life, how it was that he had nothing to provide for his old age, whether he had a family, how he was getting along and how he faced his work. His story was the story of thousands of men throughout Canada, one of difficulties and illnesses in his early years. He was a temperate man, sober in thought and habits; he worked as he was able to work, but had not been endowed by Providence with the mentality and skill necessary to provide abundantly for himself and he found, at the age of seventy-six years,

that he was practically a pauper; in ill health; broken and bent, and leaning over the floor doing his work as a janitor's helper. He did not know how long he would be able to keep going. The great fear of his life was what was going to happen to him when he reached the point of being unable to longer earn his living.

In this country, as in every country, not because of the conditions of the country but because of the frailty of human nature, there are thousands upon thousands of such people. The report of the special committee tells us that there would be 98,841 people eligible for pensions. It cannot be said, however, that all these people over the age of seventy years would be entitled to pension. A great many have private means; others are supported by their children or by friends, and would not receive a pension. The committee reported that the cost of maintaining this scheme, so far as the federal government is concerned, would be $11,860,000. I think hon. gentlemen will agree with me that at once we can deduct quite a large amount owing to the fact that many people who are over seventy would not receive the pension. Let us say you reduce this amount to $10,000,000 a year. As I pointed out in the first part of my argument, you are not adding that burden of $10,000,000 a year to Canada as an economic entity. You are merely distributing the obligation throughout the state upon people who are less disposed to be benevolent and less disposed to help the aged and infirm and people entitled to assistance of this kind. That is all you are doing. Now $10,000,000 is approximately one-thirty-fourth of the total revenue of this country, which is in the neighbourhood of $340,000,000 a year. I would prefer to have old age pensions than to have the Hudson Bay railway and many other public expenditures which have been made during the last few years. I would prefer to cut down the public expenditure, apart from the fixed charges. I would prefer to put the aged and infirm in this country in a position of comfort, assured at least of the bare necessities of life, than to make large public expenditures, engage in construction work and a number of other economic activities of doubtful benefit to Canada.

Mr. CAMPBELL: I would ask my hon. friend to include in that list the Welland canal.

Mr. LADNER: Yes, I would include a great many expenditures that have been made by both governments during many years. But those of which I have particular knowledge are the expenditures made by the present government, and among them I omitted to mention $9,000,000 for Quebec harbour. That alone would pay the pension bill for a year.

I think if any hon. member of this chamber were confronted in private with the proposition whether or not this country could afford $10,000,000 for the aged men and women of this country, leaving apart the form in which the assistance should be granted, he would agree to the principle of it; but what I am chiefly concerned in is the government's sincerity, and in making that statement I do not want to be charged with raising the question of party politics. I think this question is one of the most important before the people of Canada. It is far above partisan politics. It is a question, the solution of which will bring more real happiness to the maximum number of people in this country than any other enactment which has been before the House for a great many years, and for that reason I want to keep it out of party politics as much as possible. But in considering the merits of the matter we have to review the conduct of the government in connection with this proposal during the past four years.

When the last parliament opened in 1922 the question of old age pensions was raised by a number of hon. gentlemen in different speeches. My friend Mr. Irvine, from Calgary, took a very active part in those discussions, but during those four years the government did not do a single thing of a constructive nature in the matter of old age pensions, although they were pledged in the most serious and solemn manner by their convention of 1919, by their party platform in 1921, and by the speeches of every important political leader on the government side throughout Canada during the contest of 1921. Everywhere they proclaimed themselves the champions of old age pensions, but when they were in power, although they had sixty-five Progressive members nearly every one of whom was a supporter of old age pension, the government found devious ways and means to avoid bringing down legislation and putting an old age pension scheme into effect. If they found excuses during the four years from 1921 to 1925, when they had sixty-five Progressive members who would support them, and who enabled them to have a majority sometimes as high as 160 or more, what likelihood is there that the government will press this matter to a conclusion now?

In the report of the special committee of 1924, which is dated July 1, 1924 and is printed in the Journals of the House, volume LXI, appendix No. 4, a programme was set out

which embodies almost word for word, certainly idea for idea, the resolution now submitted to the House.

Mr. KING (Kootenay): Hear, hear.

Mr. LADNER: The minister says, "Hear, hear." I will ask him why he did not introduce this legislation in 1925 before the election took place.

Mr. KING (Kootenay): Politically it would have been a very good move, but it was not an opportune time. This is an opportune time, conditions having improved in Canada.

Mr. LADNER: My hon. friend's party was pledged in the most solemn fashion by its convention of 1919 and by its programme of 1921 to introduce old age pensions, maternity benefits, and all kinds of things, but they took no steps to do so. The report of the committee was submitted in 1924, so the government had plenty of time to introduce this legislation in 1925, when they would have had the support in this House that would have enabled them to put that legislation into effect; but they did not do so. Then in June, 1925, a report was submitted by the committee of which Mr. Raymond was chairman; a debate ensued, and it is to be noted that in that debate not a single minister of the government uttered a word; they all remained absolutely silent. Mr. Raymond spoke, also Mr. Irvine, Mr. Neill, Mr. Shaw, Mr. Woodsworth and a number of others. Mr. Irvine introduced an amendment by reason of the fact that the question had been raised whether this was not a provincial matter, and the Justice department had given an opinion in these words:

The subject of old age pension does not fall specifically within any of the enumerated subjects given to the Dominion under section ninety-one of the British North America Act, but does fall within the subject of "property and civil rights in the province" committed to the provinces under section ninety-two.

The Deputy Minister of Justice adds:

I am of opinion therefore that the subject-matter of pensions has been entrusted to the provincial legislatures rather than to parliament. I do not mean to suggest that parliament has not the power to legislate upon the subject so as to assist the provinces or to establish an independent, voluntary scheme, provided that in either case the legislation does not trench upon the subject-matter of property and civil rights in the province, as, for example, by obligating any province or person to contribute to the scheme.

Mr. Irvine introduced an amendment asking that a purely federal scheme be brought into force. Speaking from recollection, and I believe I am right, the government's excuse was that they were calling together a conference of provincial premiers because they had also to consider the question of giving power to Canada to amend its constitution, and the hon. Minister of Justice on the 18th of February assured the House that that provincial conference would be called in the near future, at which all these questions would be considered. But in line with the procrastination and inactivity of the government, they never called that conference. So this spring, just a few weeks ago, in order to test the sincerity of the government in connection with this very legislation, I put on the order paper several pertinent questions regarding old age pensions and some other matters. My first question was:

Is it the intention of the government to call a conference before July of the premiers of the provinces of Canada?

To that question the Prime Minister gave the answer, "No".

The question was put:

Is it the intention of the government to submit to such conference or a later conference any proposal respecting old age pensions?

To this, reply was made:

Answered by answer to No. 1.

The questions deal with other matters, and finally the last interrogations are these:

What steps, if any, has the government taken to call together such conference?

When and where will such conference of premiers take place?

The answer to the first of these two questions by the Prime Minister was:

Up to the present time no steps have been taken.

That was on March 15, 1926. Then as to when the conference will take place, and where, we had the answer:

To be decided in due course.

That is the great trouble with the government—everything is to be decided "in due course." But no decision is ever reached, and I am afraid that is what will happen in this case. I want to see a pension law brought into effect, I want to see cheques go out to the aged people in this country, and not have a postponement by excuses and the bringing forward of different schemes to avoid facing the issue. We had last year from the Minister of Justice (Mr. Lapointe), who acted in the early part of the present session as leader of the House, a positive, firm and clear-cut declaration that a conference would be called of the premiers of the provinces and that questions of this kind would be brought before them. The inference was that as a result of that conference we would have legislation that would have been already considered by the provinces so that this parliament could

act in a more intelligent fashion. But the conference did not take place, and now the Prime Minister says that he does not intend to call a conference, but that the government will decide "in due course" what they are going to do. Notwithstanding all the reasons why we should have had a pension law during the last four years, none has been enacted. But all of a sudden, when the elections of 1925 were over, when the government found themselves in a minority and felt the pressure of public opinion demanding that they should step out, they found it necessary as a political expedient to ally themselves with people they formerly condemned. They then drafted a speech from the throne and included in it other things which would secure the good-will and the support of many hon. members who cherish such measures as the one now before parliament. That is the actual situation. That is why I raise a question as to the government's sincerity. And when you read the resolution now before the committee you find clauses that will provide all kind of loopholes so that the government may escape bringing this law into force and thus deprive those people who are entitled to them of the benefits which they would otherwise enjoy. The first clause says:

> That the Governor in Council may make an agreement with the Lieutenant-Governor in Council of any province for the payment to such province quarterly of an amount—

And so on. In my judgment this resolution, or the bill which is to be based upon it, should prescribe the conditions under which the pension scheme is to be worked out so that all the provinces need to say is, "We accept that scheme," or, "We do not accept it." The unfortunate thing is that the effect and force of this scheme is made to depend upon some agreement or some arrangement, that is going to be worked out, let us say, between the Prime Minister of Canada and his government on the one hand and the Premier of British Columbia and his government on the other hand, and I will venture to say they will not agree. Knowing the Premier of British Columbia as I do, I realize there are innumerable excuses that can be raised for not carrying out an agreement of this kind, and this is what will happen. My friend, Mr. John Oliver, a man who is resourceful and skilful in political matters, will say: "I am a champion of the province. The Prime Minister of Canada and his government have the responsibility. I wanted to do such and so and they would not do it." In other words, to use the language of the street, they will commence again the old habit of "passing the buck." Mr. Oliver will blame the Prime Minister of Canada; the Prime Minister of Canada in his genial fashion will say that the Premier of British Columbia should further investigate the matter and the federal authority will decide it "in due course," and so the pension bill will not become law.

Another loophole is contained in paragraph 3. My fear, and in this I am quite sincere—is that the proposals being considered to-day in this House will not become law, and I predict that two years from now when we come down to the House we will still be fighting for the issuance of old age pension cheques. The administrative machinery may be partly organized, but the agreements will not have been made with the provinces; something or other will be wrong, and it will be found that the pensioners are not receiving the pension cheques to which they are entitled.

I submit that the law aimed at is a commendable one, and I commend the government for the initial stages they have undertaken in a non-partisan way. I commend them for taking the step, although the experience of the past would indicate that they may not carry it into effect. I think that from the serious business point of view, from the economic aspect, those who think that the giving of a pension is going to add an additional burden to the country are suffering from a delusion. It is adding no burden, it is only distributing an existing burden among those who at present should pay but will not pay. It is only relieving those people who are benevolently and charitably inclined and who will give a great deal of what they earn, while others will give nothing. It is only in the taking and distributing of this burden that the state will interfere by legislation of this character. I hope to see some measure go through. If I find when the bill is introduced that its provisions are reasonable, if the measure shows an indication of sincerity, I for one will support it, because I do not think that partisan politics should be interjected in connection with a bill of such great importance to the nation and one involving such great advancement in its social reforms. We are going to become old. Some of us may require the $20 per month which is to be provided. I hope that I shall not, but I know many will. And when I think of the people whom I have seen in difficulties and in trouble; when I think of the old man who always comes to my mind when this question is discussed; when I think of that man seventy-six years of age there on his bended knees

scrubbing the floors; when I remember the story I have heard of that honest man who has done his life's work faithfully and who has devoted half a century to the struggle for a bare existence; when I think of the benefits which will accrue from the action of the state in providing even $20 a month to enable that man to keep body and soul together; when I think of the sunshine of happiness that will brighten the evening of his life, my heart, my conscience, my judgment and my resolve spring forth to make possible for the aged of our land a comfort and a joy which no true Canadian citizen, animated by high and benevolent ideas, would deny.

Mr. A. W. NEILL (Comox-Alberni): I am glad to see the introduction of this long-overdue measure of social reform. It cannot be said that this is something newly sprung upon the House. I cannot think of any legislation that has been so long in the hatching as this particular measure. The minister who introduced it said it was first brought up in this parliament in 1907, when a motion was introduced to the effect that this subject "ought to receive the early and careful attention of the government and of parliament." I observe amongst those who supported the resolution the names of Sir Wilfrid Laurier, Mr. Maclean of York, the Hon. Mr. Lemieux and Mr. Bourassa. I do not know whether the last-named gentleman is my friend to my right or not. The motion was not pressed to a vote, but was withdrawn. That was a preliminary step. In 1908 a special committee was appointed to consider a scheme for making provision for the aged and deserving poor. I see that Sir George Foster, amongst others, supported the resolution on that occasion. No report other than a verbal statement made by the chairman was presented to the House. Then the parliamentarians appear to have taken a rest until 1912 when this resolution was moved:

> That in the opinion of this House a committee should be appointed to make inquiry into an old age pension system for Canada.

That resolution was supported by the Hon. E. M. Macdonald, Sir Thomas White, Sir George Foster and a number of others. A special committee was appointed, and later on they presented a report to the House recommending that further information in regard to the operation of an old age pension system in Canada and other countries be obtained. Parliament certainly proceeded slowly, methodically and very thoroughly in the matter.

In 1913 a similar committee was appointed. They brought in a report recommending the appointment of a committee at the next session. There was no rush about their action. That was in the year 1913 and nothing was done apparently in 1914, except that Mr. Kyte, the member for Richmond moved:

> That in the opinion of this House an old age pension system for Canada should be inaugurated.

There was a debate on the motion, and Sir Thomas White moved the adjournment of the debate, which I presume killed the resolution. Then the war came on and nothing further was done. Then in 1922 the hon. member for Hull (Mr. Fontaine) who spoke this afternoon moved the following resolution:

> That, in the opinion of this House, the Dominion government should consider the advisability of devising ways and means for the establishment of a system of old age pensions in Canada.

That motion was unanimously agreed to. In 1923 a delegation of a number of members of parliament waited on the government with this matter in view. I think the only members in that delegation who are in this House at the present time were the Minister of National Defence (Mr. Macdonald) the member for Hull (Mr. Fontaine), and myself That was towards the close of the session. The government agreed to have a committee go into the matter the next year. A committee was appointed in 1924, of which I was a member. They made a unanimous report in 1924 recommending that the matter should be referred to the provinces. The committee, which consisted of nine members, sat again in 1925, and we reached a unanimous report—with the exception I think of Mr. Irvine, who made some objection to it and afterwards moved an amendment in the House. The motion for adoption of that report was seconded by the hon. member for Parkdale (Mr. Spence) and with the exception of Mr. Irvine the report was passed unanimously and presented to the House. In this resolution the government have for the most part adhered to the report of that committee.

I should like to comment on some of the statements made by the hon. member for West York (Sir Henry Drayton). He discovered so many lions in the way that if we were to adopt his attitude in the ordinary procedure of human life we could never do anything. I could conceive of enough lions between this chamber and where the hon. gentleman lives in his hotel to prevent his leaving here tonight. It is easy to make objection, and it is easy to see trouble where perhaps a willing mind would see a way through. He emphasized the fact that the opinion of the Minister of Justice was that this is a pro-

vincial matter. Quite true, the deputy minister did make that report, but why did he not also emphasize the fact that the deputy minister also said that it was quite within our power to lend assistance to the scheme in co-operation with the provinces?

Now with regard to the reports which he read at such length, all of which are on record, I may say that every one of these has to be taken in conjunction with the fact that they were more or less given in ignorance of the situation. This was the situation: In 1924 we submitted a draft scheme of co-operation with the provinces, on a fifty-fifty basis. The reports the ex-Minister of Finance read were replies which were more or less antagonistic to the scheme, or which simply stated that it was a Dominion matter. The reports of those who were unfriendly to the proposition were to the effect that it was a matter for the Dominion, and that was the basis of the objection. No province is going into any scheme which it thinks somebody else is entitled to deal with. The objection then, was that it was a Dominion matter. But the whole basis was afterwards changed. In view of those replies we obtained the opinion of the Department of Justice, which held that it was a matter entirely for the provinces. That changed the whole situation; it cut the ground entirely from under the feet of those who said the matter of old age pensions was not their business. They could not make that argument, and when the opinion of the Justice department was presented to them there was an immediate change of opinion on their part.

The hon. ex-Minister of Finance read part of a letter from the Hon. John Oliver, of British Columbia, addressed to Mr. Raymond, chairman of the committee. I have not the letter here, but the effect of it was along this line. "Your explanation of the situation throws more light on it, and we now look on the matter more favourably." That was the sense of the reply, and if the other provinces, at the conference we suggested should be held, had been made aware of the action of the Justice department, it would have entirely altered their views, because they would have said, "Instead of the Dominion trying to impose upon us a scheme which is their business, they are actually offering to pay half the cost, of what is our business." If it had not been for the election, which prevented the conference, I believe many of the provinces would have taken that view.

I will illustrate that fact by drawing attention to the position in British Columbia. British Columbia, more than any other province, said flatly and bluntly. "This is your business, it is not ours and we will have nothing to do with it." But a year passed and in the meantime they had obtained the opinion of the Justice department. Public opinion had had an influence on the legislature, and the British Columbia legislature, unanimously passed a resolution on the 24th of November last which reads in part:

> That the necessary steps be taken to formulate some plan in conjunction with the Dominion government to provide old age pensions—

And note this:

> —and that the other provinces of the Dominion be requested to take similar action.

A total change from their attitude of the year before, when they said. "We will have nothing to do with it." They are not only anxious to co-operate with the Dominion, but they will get the other provinces to follow suit. The resolution continues:

> And be it further resolved that an humble address be presented to His Honour the Lieutenant Governor, praying that he will cause to be conveyed to the Secretary of State for Canada and the provincial secretaries of the various provinces this preamble and resolution.

So that they made a complete change of front when they found what the legal aspect of the case was.

Then I have a reported interview with the Hon. John Oliver. He is reported in the papers as saying he would look favourably on the scheme, but of course, he said, he would have to see the details before committing himself. But he spoke of it favourably. I have no doubt British Columbia will be in the forefront of this social legislation, as it has been in connection with the workmen's compensation scheme and the eight-hour day, and minimum wage act. The hon. member I thought did less than justice to himself when he referred to what would happen to certain poorhouses if this act were passed. "Why," he said, "these poorhouses would be done away with." That would be a trifling matter, would it not? It reminds me of the argument put up—and I am serious in saying this —when we had a plebiscite in British Columbia on prohibition; it was stated: "If this measure passes, what will we do with our gaols." Here it is the same spirit. "What will we do with our poorhouses?" Burn them down if necessary, if you cannot find anything better to do with them. Fancy in this day and generation having to talk against the enforcement of an act because it will empty our poorhouses! Has the hon. gentleman ever considered the hardship of old people being separated in their declining years? Would it not be better and cheaper to keep those people in some home, say with a son

or daughter who could take care of them, with the aid of this pension?—which by the way, is rather inadequate. However, we must begin low. I do not think we need worry about what will happen to the poorhouses. We can turn them into community halls if necessary.

The hon. member made a great point of the assertion that the report of the committee and the government's bill had not made the measure of a contributory character because we were afraid it would in that case prove out of order, so to speak, owing to the fact that we could not enforce a contribution from anyone. That was not the reason why that report—and other members of the committee will bear me out—so recommended. The reason was because, after a very careful consideration, lasting over two sessions, of the various old age pension schemes of the world —particularly that of Australia and New Zealand which in some ways agree more as to conditions with Canada than does Great Britain—and also that of Great Britain, we decided it would be best to have a non-contributory system. I will not take the time to go into the reasons, but it certainly was based upon a careful consideration of the experience in other countries.

The ex-Minister of Finance (Sir Henry Drayton) spoke about $23,000,000 and said that we would compel the people of Canada to pay that amount under this measure. That is not the case. The provinces are represented by legislatures; they represent the ordinary people and if the ordinary people do not want to contribute their share they will not have to do so. He said: "We must multiply this by two." That is not logical, nor do I think it is reasonable, because it is entirely within the dictum of the provinces to say whether they wish to contribute their share or not.

Sir HENRY DRAYTON: That was not the point I made. I was dealing with the question of the total cost. Surely you cannot take half of the total.

Mr. NEILL: The hon. member was dealing with the question of the total cost, but he said: It is useless for the minister to talk about $11,000,000; we have to double it because we have to force it out of the Canadian people. Force nothing!

Sir HENRY DRAYTON: The hon. member is entirely wrong.

Mr. NEILL: Hansard will decide that. I want to explain about that sum of $11,000,000. I do not for one moment believe that will be the cost in Canada for a number of years to come. For one reason we put it at the extreme; we did not want to underestimate the amount required. We estimated on the basis of Australia and we took a certain percentage which is bigger than is found in some countries. I talked on this subject to a man intimately connected with the operation of the Workmen's Compensation Act in British Columbia, and he said he was satisfied that the number who would require relief would be much under the forty per cent, I think it was, we calculated it on. Also, to put the matter mildly, I will say the ex-minister forgot to read this statement of the committee: After we had pointed out that the amount would come to $11,000,000 odd, we added this:

> This amount, however, would be reduced by any private income or partial earnings.

We made no allowance at all of that kind; we assumed that everyone eligible would get the full pension, but we know perfectly well the amount will be heavily reduced by private income or occasional earnings. That is the case in Great Britain, and it will be so here. I think we are quite safe in saying that the expense will be very much lower than $11,000,000 for quite a number of years to come. I have come to the end of that phase of my remarks, Mr. Speaker, and I would be glad if you would call it six o'clock.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. NEILL: I want to make a slight allusion to the remarks of the hon. member for Mount Royal (Mr. White), and I do so in a most friendly spirit, realizing as I do that his whole life and environment have been such as to have removed him utterly from the people whose conditions we are considering to-day. So completely out of touch with them has he been that it must be almost impossible for him to visualize the true situation. The hon. member told us that the act would discourage thrift among the people. Well, that idea was prevalent at the time when women wore crinolines, and I think it went out about the same time as the crinolines did. Moreover, it has been proved by the experience of every pension system in the world that such a scheme does not discourage thrift; rather is the contrary the case. We know also that the proposed act provides for a small income which will be allowed, so to speak, outside of the pension, so that there, too, is encouragement for thrift in a small way.

I do not know of any idea that is more difficult to combat than this. The man who has made some measure of success of his own life is very apt to take the attitude that if someone else has not been equally successful, it is due to his own negligence or laziness or to some mental disability. It is hard for a matter of this kind to be discussed quite fairly in a gathering of this kind, composed of gentlemen who for the most part are very much removed from the circumstances of the class of people whom we are considering. Some of us may perhaps have inherited money which by judicious business manipulation we have managed to increase, while others of us have been more or less the architects of our own fortune. At any rate the majority of members of parliament have some means apart from their sessional allowance and are in a greater or smaller degree what is called successful; and they think therefore that they are in no danger of ever falling a prey to the misfortunes of old age and poverty. It was Bunyan, I think, who once said when he saw a man being led to the gallows, "But for the grace of God, there goes John Bunyan." If the most fortunate man amongst us were stripped of the advantages which opportunity and luck and chance, or possibly Providence, has given him there would be little for him to boast about in comparison with others. I never see a down-and-outer on the street bumming the price of a drink without thinking that under less happy circumstances I, too, might have been in his situation.

It is far from being the case that poverty necessarily indicates negligence or laziness or incompetence of any kind. Sickness is a misfortune that is apt to befall anyone, and the wage-earner and his family are not immune. I was going to say that ignorance was a disease; at any rate it is a disability for which you cannot blame a man if he has not had training. How often have we seen men who have scraped and saved and denied themselves all their lives in order to have a little income in their old age, and who have lost it in a few hours by being gold-bricked by some smart rascal. It may be said of such a man that he should not have allowed himself to be taken in, but we must remember that he had not the necessary knowledge to protect himself. Occasionally we see widows and others entrusting their money to agents or lawyers who take advantage of them and embezzle their savings. I am not casting a cheap slur on lawyers, for I know that they are reputable people, but they are liable to fall by the wayside like others. I have known people who were not lawyers who have embezzled money belonging to their relations or their friends. Again, we have known men who have worked hard all their lives, contented, willing, and who apparently possessed every attribute of success, and yet they have fallen down at every turn. It never seemed possible for them to get ahead, although they could not be accused of any particular fault.

Again let us take the case of the woman whose husband has been a waster, a drunkard, a profligate. He has neglected to take care of his wife and family, and they are in a destitute condition. This is one of the objections—I do not say it was the only objection, but it was one of them—that decided the committee against a contributory scheme. The contributory scheme assumes that a man must contribute something before he can get a pension. Then you must also have the other feature; that if he failed to contribute he would not get a pension. Then what are you going to do with a woman? A woman may be everything desirable, but she may marry a man who turns out to be a bad character and who may abandon her with a family to bring up, perhaps by taking in washing. Then when she gets old and unable to work she hears about this pension. She applies for it and is told "No, you cannot have a pension; you can starve or go to the poorhouse, because your husband, between the ages of twenty-five and some other age did not pay his regular contributions." It was to avoid things of that kind and an enormous duplication of such cases that a contributory scheme was decided against. It was also found to be unworkable in several countries, except in very narrow phases.

The hon. member for Mount Royal (Mr. White) told us in almost awestruck tones that each one of these pensions was going to cost the province $120. Spoken in that way it sounds a lot of money, especially when you are going to give it to someone else, but supposing conditions were reversed; suppose the hon. member or others in this House were to look at the situation from the other end of the telescope. Would the hon. member, or would any of us in our old age, either for ourselves or for our relatives, contemplate with equanimity the possibility of existing on a pension of $240 a year? It has been well said that riches take wings, and that phrase is increasingly true to-day, in the turmoil of modern commercial life. It is also an old saying that it is only three generations from shirt sleeves to shirt sleeves. That does not, of course, seem possible to us, sitting here

at our ease and convenience and perhaps with our private incomes, but I can recall that one of the first acts I was asked to perform as a member of the local legislature in British Columbia in 1898 was to sign a round robin addressed to the premier, asking him to grant a sinecure to a poor old man who had once been a member of the House, rich and respected, and who had lost everything. He never thought he would have to take charity of that kind, and it is on record in scores of cases in the Old Country that rich men who have founded charities, or foundations as they are called, and have subsequently, lost all their money, have had to accept help from the very charities they themselves created. I suppose, taking the law of averages, possibly one member of this House, either in himself or his wife and children, will have to accept this pension we are now talking about. I hope that will not be the case, but probably it will be so.

The hon. member for Labelle (Mr. Bourassa) spoke before six o'clock. I have not had a translation of his speech, nor am I sufficiently acquainted with his language to understand what he said, but from his attitude I sensed he was against this scheme. If I am wrong I apologize, but his style seemed cramped and he did not have that easy gaiety which distinguishes him generally when he is talking on a subject with which he feels completely in accord. I gathered from his references to Quebec and from the word "refuse" which I caught now and again that he was taking the somewhat parochial line that Quebec would refuse; that if she did not go in she would have to pay a share of the pensions for the other provinces. Quebec can always be relied on to do the fair thing, and if she did not go in perhaps her claims could be considered in regard to other appropriations which might be needed, which would not be shared by other portions of Canada. I do know that on the committee of which we have been speaking, which drew up this report which the government have largely followed, there were three representatives from the province of Quebec, and they were all unanimous in voting for a report containing these principles.

To go back to the resolution, there may be and, I am sure will be, demands from the people whom it is intended to benefit. They will not be satisfied with the amount suggested, and they will think it should begin at an earlier period. I think possibly some consideration might also be given to the claims of the soldiers, that the pension in their case should begin somewhat earlier than in the case of a civilian. I would throw out the suggestion that where a man has spent say two years actively engaged in the trenches, he might be entitled to a pension say ten years sooner than the ordinary civilian. That may be a matter for future consideration. I would point out that the bill follows the same custom which prevails in Great Britain, with the pension beginning at the age of seventy. There is in England a provision now, mixed up with some other form of unemployment or sickness insurance, whereby the pension may begin at sixty-five, but that part is contributory; the regular non-contributory pensions begins at the age of seventy.

I was much struck with the evidence of a gentleman who appeared before that committee. He was a railway man, evidently high in one of the railway organizations, and the attitude he took seemed so appropriate that I would like to repeat it. Speaking on behalf of the railway men he said: "We railwaymen do not want your old age pension bill; it is nothing to us. We have organizations of our own that will afford us a pension greater than any you propose to give. Inasmuch as we pay taxes we would be contributing for the benefit of another class of people and we would derive no benefits ourselves, but as working men we will be pleased to do so." We asked him, as we asked all witnesses, at what age he thought the pension should begin, and what he thought should be the minimum amount. He said, "Gentlemen, I would not pretend to give you advice on either of those points, because the essential feature is to get the principle started. To get that started it may be necessary for you to begin at a scale lower than it should be and at an age later that it should be, and speaking on behalf of the working men we will be satisfied to get the principle established. There will be no danger of its being reduced, and once you have the thing started and find the cost, you will be in a better position to see whether or not you can increase it as the years go by." I was greatly impressed with his remarks, and I think they had a good deal to do with the decision of the committee.

Now I would like to refer for a few minutes to a matter brought up by the hon. member for West York (Sir Henry Drayton). If he had not introduced it I suppose it would not be in order, but since he brought it up I would like to say a few words on the subject for the first and, so far as I am concerned, the last time. He alluded in that veiled way which you, Mr. Speaker, have ruled is the only way it may be spoken of

now, to the remarks which were so current in the early part of the session, that the present government have secured the support of the minor groups in the House by bribing them with legislation. In some cases, in the enthusiasm of a political meeting, they forgot the last two words. Speaking for myself, I came down here with a specific platform, which I will not now go into. So, I suppose, did the other groups. I want to say first that the men and women who voted for me did so with the distinct knowledge —it could not have been otherwise—that I could not possibly form a government to carry out my platform, and that I would have to turn to some party or section or group here to have our platform put forward. My constituents gave me more or less a free hand in that regard. I ascertained what measure of support I could get from one side of the House and also from the other, and I found that I could get a greater part of my platform put through by supporting the present government. If supporting the present coalition government—for that is what it is—in order to get the platform I was elected on, passed, is bribery, then I am not at all ashamed of the word, and I am not afraid to face my constituents at what I hope will be an early election—the sooner the better—and explain the situation to them there. I would like to ask just two questions: Suppose the conditions had been reversed, suppose I, or suppose we—it makes no difference—had been supporting a Conservative government, what about the suggestion of bribery in that case? In the woods, only expert bushmen are allowed to use double-bitted axes, because they cut both ways and have very sharp edges. During the recent adjournment some of the Conservative members for British Columbia went home and spread themselves emphatically along that line, telling how the other members from British Columbia, not Conservatives, were being bribed in this House by legislation. I want to give just one illustration, and it is good to take your answer to an argument from the source whence it arises. In the years 1903 to 1906 there was a Conservative government in power in British Columbia, and they were supported and kept in power during the whole of that time solely by the votes of three Socialists. I have the Journals here, but I shall not detain the House by quoting from them as members can look them up for themselves, but I have the pages marked, and I find there were over a dozen cases, or almost a dozen, in one year, where if the Socialists had not voted with the government the government would have been defeated. In some cases the vote resulted in a tie; I think in two cases the government would not have been defeated, but in almost every other case, if the three Socialists had not voted with the government, the government would have been defeated. That went on, not for one year only, but for three or four years. What is the difference? Is there a bond that exists in British Columbia that enables Socialists and Conservatives to co-operate, and that makes it wrong for Progressives and Liberals to co-operate here? Does the thing not work both ways? Apparently not. It is all right when it is a Conservative-Socialist alliance, but all wrong when it is a Progressive-Labour-Independent-Liberal coalition.

Take this particular item we are discussing, old age pensions. That is in the platform of the Liberal party, and has been for many years. I am not so sure about the Conservative party, but if they say it is in their platform, I will accept their statement. I know it was in the platform of the Progressives, in the platform of Labour, and in the platform of the Independents. I do not believe there is another subject on which we could legislate in which the object sought to be obtained is to be found in the platform of every one of the parties in this House, and when this coalition government proposes to pass this measure, to which we are all pledged, and in which we all have a joint interest, carrying out the pledges we made to our constituents; when it is a plank in the platform of all four parties in this coalition, they talk of bribery! Where does the bribery come in?

I am at a loss, Mr. Speaker, to understand why this matter should be given a partisan aspect. I have an editorial here taken from a Conservative paper in British Columbia; I shall not give it advertising by stating its name, but this is what they say:

> We do not know how the new act will be viewed here—

That is in British Columbia, where there is a Liberal government in power:

> —but in provinces which have Conservative governments there may be difficulty experienced in passing legislation which in reality will strengthen the alliance which exists between the Liberals at Ottawa and the Labour members of parliament.

In other words, they take it as a matter of course that in those provinces where Conservative governments are in power this otherwise desirable legislation will not be passed because it may lead to closer affiliation between the Liberals and the Labour party. If that is not partisanship run riot, I do not know what is.

Let me recall, too, that this legislation has been twice endorsed by the parliament of Canada, not in successive years, but in the year 1912, I think it was, and again in 1922. Was it endorsed by a partisan vote? Not at all. It was approved by the unanimous vote of the parliament of Canada assembled. Many Conservatives are pledged to it, pledged to their constituents at least. Then why not let us all join in this matter; why not for once take it out of this slough of partisanship through which everything apparently has to be dragged, and all join to make it the best kind of a bill that can be obtained, and then share the credit when we go to the people?

I would quote a few sentences, and then I am done, from the London Times. This is no Canadian Conservatism, which appears unable to dissociate itself from the tariff. The London Times is well known for the stand it has taken for generations. It is Conservative, but very Liberal-Conservative, and it has always taken a stand irrespective of its party affiliations. Here is what they say about this subject when it was introduced in parliament:

> A really helpful measure of security against the economic sufferings and anxieties of life. The Prime Minister, the government, and parliament as a whole may justly be proud of the result of their exertions.

Further on:

> The measure, then, as it stands, is the product of the united wisdom of parliament.

Would to God we could say the same thing!

> It represents the determination of the whole country to carry out what it has come to look upon as a sacred duty towards a large number of the more defenceless of its citizens.

And it ends with these words:

> In these times of stress the burden of the contributions, both on industry and on the state, must needs be heavy; but for the good that it will do and the contentment which it will foster by the relief of suffering, it will be abundantly justified, and, it may be hoped, in the great majority of cases will be cheerfully borne.

That is the spirit in which I would invite and plead with our friends opposite, many of whom I know at heart are thoroughly in sympathy with this legislation, to unite with the other parties in this House and put this measure through. If we will co-operate in that spirit, we shall have done a great thing for Canada, and shall have raised a monument to ourselves that will last for a long time, and one that our children and those who come after us will be proud to remember.

Mr. D. M. SUTHERLAND (North Oxford): The hon. gentleman who has just sat down (Mr. Neill) seemed to be in a very bad humour. Perhaps it was because the other half of the Independent party has broken away from him. I do not know, but it is enough to upset any party to have its leader and the other half of it go against it on a measure of this kind. If I wanted someone to bring forward a case for me, I would take anyone but the hon. member for Comox-Alberni. What reason he had to accuse the Conservative party of being against this measure I do not know. I am not against it; in fact, I am in favour of it, and have been ever since the idea was first suggested. I do not know what right the hon. member had to get up and suggest that his half of his party had a monopoly of all the good ideas in the country.

As to this old age pension, it does not seem to me there can be two ideas about it. It is intended absolutely for a class of people who need support and who, I think, are entitled to it—people who for various reasons have not been able to lay by enough in earlier life to carry them through their old age. I do not suppose there is any class of men that has a better opportunity than my own profession, that of medicine, of seeing the homes in this country and of realizing that there are many people to whom a measure of this kind will be of great assistance. In moving around and meeting all classes of people in very intimate circumstances, we see many who are almost in absolute want, people who are making the bravest struggle they can and putting up a front but to whom a little assistance of this kind will be a great help. There is this about it, and we may as well realize it, that the people who have money are entitled to help out in such a case as this.

There are a great many reasons why people are not able to look after themselves when they get to the age of seventy years. We must understand that the men who are now eligible for this pension at seventy years of age were raising their families forty or fifty years ago, when the wages paid were very low and when it was exceedingly difficult for a man to bring up a family and lay by any money. Even to-day we know it is a very difficult matter to lay by the sum of $4,500, which would be the principal required to bring in an income equivalent to the pension, and at the same time to bring up a family and keep a roof over your head. It is easy to say that if these people had been provident and pushing they would have been able to get good jobs. Everybody cannot get good jobs. No matter how much effort they put forth there is always a certain number of people that cannot get good jobs as

foremen or positions of that kind, and we have got to look out for them.

There is another thing that tells against these elderly people at the present time. Manufacturers and other employers of labour do not want elderly men. When men reach the age of fifty-five or sixty their sight and hearing is defective; they are subject to a little shaking of the hands, and it is not considered safe to have them working around machinery—in fact the Workmen's Compensation Act rather discourages employers from engaging them. Consequently the earning days of these people are over when they reach the age mentioned. When that time comes, if they have been able to lay a little money by, they are forced to live on their capital. I do not think it is wise to impose too heavy a burden on the young people of a family. I have often seen cases where young people were held back a great deal by having to shoulder too heavy a burden in the way of looking after the older people. I do not argue that young folks should be relieved from support of their parents or dependents. I do not think that at all; indeed in the province of Ontario there is a law which compels children to support or partly support their parents if they are at all in a position to do so, and I do not think any legislation of the character contemplated here should relieve them of that responsibility. But I do say this: If the young people were relieved in a good many cases just when they are struggling to make a start for themselves it would be a very helpful thing indeed.

This idea of helping old people through the medium of a pension is just a sign of advancing civilization. In the old days when aged people could not keep up with the procession they simply dropped out and died. Then the municipalities and communities began to take them into homes where they spent their declining days. That was a step forward. Then came our houses of refuge. We have one in our own county, and from my personal knowledge I can say that it is a well conducted institution. A spirit of kindness and sympathy prevails there that does not grate on the old people who have to enter the institution. Probably in our own house of refuge we have twenty people over seventy years of age who will automatically qualify for this pension. I notice one provision in the resolution which declares that the pension cannot be transferred to any institution or organization of that kind. Now, in cases like that, where the old people are already inmates and have no relatives of any kind that will take care of them, some provision should be made whereby the pension or part of it might be allotted to the institution in which they are housed.

Mr. HEAPS: I should like the hon. gentleman to quote the section which declares that a pension cannot be transferred to an institution.

Mr. SUTHERLAND (North Oxford): The section I have in mind is that which reads:

> That no pension shall be subject to alienation or transfer by the pensioner, or to seizure in satisfaction of any claim against him.

Mr. HEAPS: I do not think that would prevent the pension from being paid over to an institution of the character my hon. friend has mentioned.

Mr. SUTHERLAND (North Oxford): It would be perfectly all right if that were understood.

Now, it has been stated that some of the provinces are opposed to such a law. Personally I do not think we shall be doing our duty if we fail to pass this legislation. Then the issue will be up to the provinces, and if they do not come to its support we shall not be open to criticism. Speaking personally I think I shall be simply doing my duty in supporting this legislation.

Mr. W. D. EULER (North Waterloo): I am not sure that I can add anything of value to the discussion, but I desire to take advantage of the opportunity to state my sympathy with the principle of the resolution. I have always felt that when men and women who have spent a lifetime of labour, perhaps rearing families and aiding in the production of the country, thus adding to the national prosperity, reach old age, and perhaps by reason of misfortune or otherwise come to a condition of want, the nation as a whole owes them something, not merely as a matter of charity but as a matter of right. If there is one factor that makes for the worries which beset us all it is the fear of the future. I believe Sir, that is a very real thing. The thought, I believe, that exists in the mind of every human being, even though that person may be in a position of affluence and prosperity, is that possibly he may not be able to provide for himself when he reaches old age. If a provision such as this can help to relieve that situation, can help to dispel that thought in the minds of people, it will do a great deal more good than is accomplished merely by the monetary payments that are made; it will relieve during the whole course of a lifetime some of the fear to which I have just referred.

Now, Sir, if the principle is right that the nation owes something to those who are no longer able to help themselves in their old

age, it becomes then merely a question as to how this relief shall be given. We have at the present time in most of our large municipalities, in the towns and cities, institutions known as poorhouses, houses of refuge or homes for old people, to take care of aged and indigent persons. We have such an institution in the city from which I come; in fact, I think it was one of the first established in the province. That institution has been improved from time to time until I believe it is to-day one of the best and most efficient of the kind. But in spite of such provision as this there still exists in the mind of almost everybody, and especially in the minds of those who feel that they may have to go there, a horror and a dread of being obliged to take refuge in an institution of that kind. That apprehension we should relieve, it seems to me, if it is possible to do so. We should allow the aged people to remain in their own homes where they may live self-respecting lives until such time as they come to the end of the road.

We have then the question whether the relief should come from provincial or from federal authorities. We have had some discussion this afternoon on that point. The hon. member for West York (Sir Henry Drayton) seemed to believe the matter is entirely one for the provinces. In view of the fact that there is some disagreement it seems to me it is not an unreasonable compromise to place the burden equally upon both the federal and the provincial governments. It is quite natural that the provinces should not be particularly anxious to assume this burden if they feel that the Dominion government is going to assume all the cost. In any case there is the proviso that the provinces are not obliged to enter into the scheme if they do not see fit to do so.

Other objections have been raised to the proposal as made. Some of them have considerable force. It seems to me it is our duty to consider these objections and to weigh them and see whether or not the preponderance is in favour of the scheme or otherwise. The three chief objections have been these: first, that the old age pension scheme makes for improvidence on the part of the public; secondly, the matter of expense, and thirdly, that to those provinces which do not choose to avail themselves of this legislation there comes the burden of supporting people who do not live in the provincial jurisdiction. In so far as the first is concerned—that this legislation will foster improvidence—I would say that I do not believe the character of the Canadian people is such that they will deliberately for a lifetime so conduct themselves, be so wasteful and so fail to apply themselves to their work and to save something against old age, as to induce them, for the sake of some $20 a month, to become parasites upon the rest of the community after they reach the age of seventy years. With regard to the expense, I will admit that up until the present time I had felt that after the burdens imposed upon us on account of the war perhaps the time was not opportune to go into expense on this account. I believe from what I have heard that the expense will be quite moderate for some years, and after all I have come to the conclusion that this is a most worthy thing. It is right that something should be done, and that answers the objection almost entirely.

I will refer to another matter which has been mentioned this afternoon; that perhaps this government or any other succeeding government might very well economize along some other lines which I will not mention now—along lines much less important than old age pensions. With regard to the argument advanced more particularly by the hon. member for Mount Royal (Mr. White) I think he had particular reference to the province of Quebec when he said that those provinces which do not avail themselves of this legislation will be obliged to bear part of the burden for the other provinces. There is some force in that, but I would like to say, so far as the province of Quebec is concerned as I see it is represented in this House—and I do not say this for the purpose of flattery—that despite the fact that members from the province of Quebec were solidly Liberal in the last parliament and almost in the same position in this parliament, they have given us splendid examples of liberality and generosity. So far as the other provinces are concerned, they have never taken advantage of their own power to press their claims unduly, but have always sunk sectional advantage for the general good and I say that in justice to them. Even if there is some force in the argument of the hon. member for Mount Royal, is it not true that we never have any form of taxation which is equitably applied throughout the whole of Canada. It is practically impossible to apply taxation with entire equity; it is merely a matter of give and take in the interests of the whole Dominion. We might take some examples. We have in this House men elected from the Maritime provinces who attempt to place before parliament and to secure for their provinces some special consideration to which they think they are

entitled. I might mention the matter of freight rates. We had during the recent campaign the argument of the leader of the opposition (Mr. Meighen) that special freight rates ought to be given to the west and also to eastern Canada. I am not going to argue as to the propriety, the advisability or the wisdom of that, but we have that suggestion. If lower rates were given to the extreme parts of Canada we would be in a position where one part of Canada would benefit at the expense of the other part.

Mr. HANSON: I think that is hardly a fair statement of the position of the right hon. leader of the opposition. His position, as I understand it, on the question of freight rates for the Maritime provinces is not that the matter should be taken out of the jurisdiction of the railway commission, but that on certain well-defined principles there should be a public grant to give relief in some cases.

Mr. EULER: I was not making reference to the desire expressed by one member from Nova Scotia that the Intercolonial should be removed from the jurisdiction of the railway commission. I was referring entirely to the demand if I may call it a demand, that lower freight rates should be granted to the Maritime provinces as well as to the western provinces. If those demands were granted it would follow that the deficits of the national railways would be increased, and the burden of that would fall upon other portions of the Dominion. I am saying this not in criticism of the particular proposal at this time, but to show that it is utterly impossible to have taxation equitably applied throughout the whole of Canada, and that applies to the pensions now under discussion.

I have sometimes heard legislation of this kind described as socialistic. I am not a socialist, but I would say that so long as we operate under our present economic system, and perhaps it is best, in which every man fights for himself—and I was almost going to say, the devil take the hindmost—just so long as opportunities are unequal and the relative abilities of men are unequal—and they will always be— and so long as misfortune follows one man and not another, just so long will some of our people fall to the rear, and when they reach old age they will find that they must rely on assistance from their fellowmen in spite of their best efforts.

Legislation of this sort is sometimes regarded as sentimentalism, but it seems to me that in an age when the claim is made that we are now coming more and more to recognize the principles of what we may call the brotherhood of man, and if there is any sincerity in our professions of humanity, to say nothing about Christianity, it seems to me that a pension scheme such as this is a proof that the needs of the aged men and women are acknowledged to be a proper charge not only upon the conscience but also upon the material resources of the country.

Hon. J. W. EDWARDS (Frontenac-Addington): It has been said this is a matter that belongs or should belong exclusively to the provinces. Judged from the practice of the past I suppose that is true; and perhaps it is also true if we judge it from a strictly constitutional point of view. But whether or not that principle be applicable, I do not agree with those who say that this is a matter which belongs exclusively to the provinces and in which the Dominion of Canada has no part. There is not an hon. member in this House who does not know of a number of cases in his own part of the country where a man and a woman, perhaps in educating their children and bringing up their families to be good citizens, have made great sacrifices in the interests of Canada as a whole, and who, through no fault of their own, on account of unavoidable misfortune, find themselves at seventy years of age unable to maintain themselves. I do not agree with those who say that the Dominion of Canada as a whole owes nothing to these people; it seems to me that they have a very definite claim upon the federal treasury. I am in entire sympathy with the principle of old age pensions, although I think we will require to consider it very carefully and to make alterations in the proposal as at present brought down.

The idea of old age pensions is not new in this country; we have had pensions for a great many years. We had them long before I had a seat in this House. We have had pensions for judges, pensions for soldiers—not merely those who served overseas but those also who served down in the Woods building or in other parts of Canada—yes, we have had these pensions for quite a while. I do not agree with the hon. gentleman who says that pensions discourage thrift. My observation is that the prospect of a pension has encouraged very materially the thrift of certain people in this country. They have looked forward anxiously and eagerly to the day when they will draw that pension.

Sir EUGENE FISET: They paid for it, but the hon. member seems to ignore that fact.

Mr. EDWARDS (Frontenac): If my hon. friend will wait a while, I will not ignore

that fact, or the fact that he is a pensioner. Let us take, for instance, the matter of pensions to judges. This is not the first time that I have raised my voice in objection to these pensions. It did not do any good on former occasions, and I do not suppose it will do any good now. There are in this House too many lawyers for that; they are looking after themselves sufficiently and they are, I presume, looking forward to the time when they will also pull down pensions as judges. I would not be at all surprised if the Minister of Justice (Mr. Lapointe) was looking forward to pulling down a pension.

I notice from the Auditor General's report we are paying $15,333.12 in pensions to three judges of the Supreme Court of Canada. Hon. members will note that they do not let up on the cents; they pull down even the 12 cents. There are twelve Ontario judges drawing $41,666.80 a year, and fourteen Quebec judges drawing $77,003.26 a year. Among them one judge who draws down a pension of $8,000 a year. Three get $7,999.92 each; two get $6,999.96 each; three get $6,000 each; two get $7,000 each and two others get $4,666.66 each. So it goes on. In Nova Scotia four judges draw $13,600; in New Brunswick four judges draw $13,166; in Manitoba four draw $13,663; in British Columbia two draw $3,833, and in the Yukon one draws $4,999. In this way there is an amount of $184,397.71 being paid out in pensions to these poor, unfortunate, indigent judges of this country. Of course the Supreme court judges and other judges in Canada work at such a small salary that they could never lay by anything for their old age, so they are provided for in this way.

When I refer to these pensioned judges I recall an hon. gentleman who graced the floor of this parliament for some years, who was a cabinet minister, who drew his sessional indemnity as a member of parliament, his remuneration as a cabinet minister and at the same time his pension of $4,666.66 a year. The reason why this judge was retired from the bench was because the work was too strenuous for him. He wanted a life of ease, and so he came into parliament. In order to be sure that the work would be extremely easy for him he took a cabinet position where he would have nothing at all to do. I recall another hon. gentleman who had a seat in this House for a number of years and who sat on the other side. I want to refer to the two so as to balance things up properly. This gentleman held the position of leader of the opposition; he almost became Prime Minister of the Dominion of Canada, but not quite. He was voted down on a memorable occasion when the right hon. gentleman (Mr. Mackenzie King) received the highest vote and was selected. This hon. gentleman had retired from the bench; the work got too strenuous for him; he could not stand the strain and he retired under a pension. He came into this House and he drew his sessional indemnity, his salary as leader of the opposition and his pension as a retired judge. He carried on here for a while, but this life got tame for him and he went back again to the strenuous life on the bench. I do not know whether or not he is now drawing his first pension, but I am sure that the fact of a pension being ahead of him will not discourage his thrift by any means. He will look forward to that eagerly. Some say: If you want a pension scheme, it will involve a large amount of money. They capitalize that amount of money and it amounts to so many million dollars capitalized. If you capitalize at four per cent the pensions now being paid to judges who worked for a bare living when they were on the bench and never could lay anything by for their old age, it will amount to pretty nearly $5,000,000.

We have in this country another class of people who are drawing down pensions, and this is the class that the hon. member for Rimouski (Sir Eugene Fiset) wanted me to go into details about. We have a number of military men, some of whom risked their lives overseas and some of whom risked their health in offices in Ottawa. Of course those who came back from overseas, who lived through that strenuous life, are drawing a pension, and rightly so. But those who lived through the stress and strain of office work at Ottawa, and were almost martyrs to the war by the great work that they were doing here and the long hours they were putting in, made application for and obtained pensions. I think the hon. member for Rimouski is one who is in that glorified class.

Mr. CANNON: I have no doubt the hon. member wishes to be fair. Does he remember the services rendered by the hon. member for Rimouski in the South African war?

Mr. EDWARDS (Frontenac): Yes, I remember that very well. I would not detract a particle from any of the military glory of the hon. member for Rimouski or the Solicitor General either, for that matter.

Mr. CANNON: I am not in this at all.

Mr. EDWARDS (Frontenac): I would not specially refer to this if the hon. member for Rimouski had not interrupted me a while ago

and called for it, but I do not suppose the pension of that hon. gentleman had anything to do with the South African war.

Mr. CANNON: That is where the hon. gentleman is wrong.

Mr. EDWARDS (Frontenac): I am not finding fault with these military gentlemen for drawing pensions, any more than I am finding fault with judges for doing so. The fault does not lie with them; they could not get the pensions if there was not a law on the statute books giving them pensions. But when we are considering whether or not we shall hand out $240 a year—not even a bare living—to a man who has lived in and served this country just as well as the judges and military men have, in view of these figures with regard to the pensions that these men are drawing, I say that so long as we have on the statute books of this country laws that enable judges to be retired at six, seven and eight thousand dollars a year and military men to retire, while they are in splendid health and good physical condition, on pensions of several thousand dollars a year, I will support on every occasion a pension to give something to old men of seventy years of age. I do not want to use any harsh terms in regard to these pensioners, but I believe I would be justified in referring, not by any means to all these pensions, not by any means to a majority of them, but to some of them, as nothing more nor less than glorified graft. That is the way it appears to me at all events. I think we should consider this whole matter carefully, going over the acts that provide pensions to men who, in my judgment, are not entitled to them, and wipe those acts off the statute book. Let us get down to sanity in this matter and if necessary give these men a decent, reasonable salary; but let us remove these provisions from the law. I would be the last to raise any objection to giving them an edequate salary. These gentlemen seem anxious enough to take judgeships when they are offered, and in my opinion we should give them a remuneration sufficient to enable them to provide for their old age. But if out of their salaries they cannot make that provision for themselves, then I do not think that they should be given pensions. It is ridiculous that certain men who have occupied positions in which they have received large salaries should be given pensions that enable them to live in luxury while others who have served the country equally well, even though in humbler capacity, receive nothing at all and are obliged occasionally to go to the poorhouse.

9 p.m.

[Mr. J. W. Edwards.]

The present proposal is to grant a pension of $240 to men seventy years of age and up. Out of that the pensioner must provide a roof over his head besides clothing, food and fuel, and it is not unreasonable to suppose that he will be ill occasionally and incur expenses for doctor's services and so forth. All that he must provide out of $240 a year. Well, we may get a good deal of patting on the back from people for giving the indigent a pension of $240, but I do not think there is a member in this House who does not realize that this sum is altogether inadequate. I am in a position to obtain information from my own constituency to prove what I say. Last Saturday I had a conversation with the county clerk of the county of Frontenac in regard to this very matter, and I got from him certain information bearing on the cost of running the House of Providence and the House of Refuge, both in the city of Kingston. These two institutions provide food and shelter for the indigent of the county. I have in my hand the figures given me by the county clerk in regard to ten men and five women inmates. I find that the cost for clothes, tobacco and little necessaries for the men ranged from as low as $12.40 to as high as $24.39 over a period of three months. The county pays a straight fee of $4.80 per person per week, and taking into consideration maintenance, cost of clothing and so on, the average for the ten men was $26.65 per month. That, I think, is the lowest possible cost of maintaining these people. That would be a matter of $320 a year, or $80 more than the pension which it is proposed to give under this scheme.

I presume that the figures I have given for the county of Frontenac would be about the same as the cost in other parts of Ontario and probably very much the same as in every other section of the Dominion. Now, bearing in mind that the poor who are kept in these institutions are given, besides the shelter that is afforded them, the necessary medical attendance and all that, I am convinced that, in view of the fact that the lowest possible cost of maintaining the individual in such a place amounts to $320 per annum, anyone who receives only $240, out of which he must provide his own shelter, fuel, food, clothing and everything else, will find it exceedingly difficult to keep himself on that sum. The $240 will not nearly keep body and soul together.

There is a good deal to be said in favour of the institutions. When these people are taken ill, if they are living in the country some distance away, who is going to look after them? If, however, they are in an institution they are cared for at a time when it is

imperative that they be looked after. There is this danger about giving these pensions, that where the pensioner is living by himself and maintaining or trying to maintain himself on $240 a year, people who otherwise would take an iterest in him will say: "Well, we are under no obligation. He is receiving a government pension, and he is supposed to be able to live on that." Now, we have a duty to these old people. There is no question about that, and we should not shirk the responsibility. I am entirely in agreement with the proposal that this obligation should be shared by the provinces, but I fancy the government will be well advised to be in no great hurry with this bill. I am not sure that it would not pay to wait perhaps another year, if by so doing we could obtain a definite expression of opinion and perhaps get all the provinces to come under the scheme. Others may differ from me in that regard. Certainly it is perfectly logical that the province that does not come in will be obliged to contribute towards expenses from which it will receive no money. True, as has been already stated, we should multiply instances in other matters where this discrepancy has occurred throughout the country.

A word in conclusion. I am in sympathy with old age pensions, and I believe that a duty does rest on the Dominion in that regard. I believe, further, that this duty has been accentuated, so far as we are concerned, by the recent war. Perhaps I might cite a case by way of illustration. Two or three weeks ago an old man, though a man not so very old in point of years—he is about sixty-seven or sixty-eight—wrote asking me to appeal to the pension board to see whether I could not get him a pension. The reason he advanced was that his only son went over to the war, and he was alone in the world, his wife being dead. When the son went to the war this man, who was a carpenter and in good health, was looking after himself and was perfectly confident of his ability to do so. Had the son said to his father, "Now, father, I will send you some of my pay," I have no doubt the father would have said, "No, I do not want your pay; I can make my own money"—and so he could, at that time. But he is not in a position to make any money to-day. His only son lies buried in France. I appealed on his behalf—I am not blaming the Board of Pension Commissioners; they have their regulations—and was told that if this man's son had sent any of his pay to his father they would have taken that as evidence that the father depended upon the son for support, but inasmuch as the son did not send any of his pay, the father has no claim upon the government of Canada for any assistance. That is the situation; I can get nothing for him, and he is not in a position to get anything for himself. That man lives in the province of Ontario. Am I to be told that the obligation rests entirely on Ontario to provide for that man in his old age? Was it only for Ontario that his son was fighting? No, Mr. Speaker; his son went overseas and fought for the Dominion of Canada. If that son had been spared he would be taking care of his father to-day. I have no doubt in my mind, Mr. Speaker, that the Dominion of Canada is under obligation to that man, to a certain extent at least. He is very close to seventy years of age, and the government should provide some assistance for his declining years. There are many cases like this, I have no doubt, all over the country; the situation has been aggravated by the war. That being the case, there is a duty, an obligation, a responsibility resting upon this Dominion seriously to consider this matter and to see what we can do in the way of making the declining years of the old people reasonably comfortable.

Mr. E. A. LAPIERRE (Nipissing): Mr. Speaker, at this late hour I do not wish to detain the House very long on this subject, but now that the principle of old age pensions has been generally accepted there seems to be no reason why this legislation should not be unanimously accepted by the House. Other parts of the empire, Great Britain and Australia, have accepted the principle of old age pensions, and Canada is in duty bound to follow the example so shown. Old age pensions are to-day accepted by almost all civilized nations; the only objection we have heard against the scheme, so far, has been the refusal of some of the provinces to co-operate with the government in putting such a measure into execution. So far as my own constituency is concerned—a constituency composed very largely of wage earners and old pioneers—the sentiment generally is in favour of this legislation.

If amongst our population there is one class deserving of consideration, it is that class of old pioneers who spent the best parts of their lives in developing the fringes of our civilization. We have such cases in my constituency. We have old settlers who, after labouring for many years, have had years of bad crops, have met with misfortune and have had their farms taken from them by foreclosure, or have been forced to sell at prices which did not assure them of a livelihood for their remaining years.

We have also a class of people in the north country who have contributed a great deal to the development of the country, and those are the people engaged in the lumbering industry. The lumberman of the north has often been accused of not being thrifty, but even in our days of prosperity, when the standard of living was improving throughout the country and the scale of wages of all organized labour was rising, the man employed in the lumber industry had to be satisfied with the very lowest wage. In our House of Refuge in the city of North Bay one of the best managed and most progressive houses of refuge in the north country, we find that of its inmates a large majority spent a good many years in the lumber camps. These conditions exist, and it is the duty of the Dominion as well as that of the provinces to see that those citizens of Canada are not left to shift for themselves, but are given a certain measure of assistance.

That also applies to a very large class of unskilled labour. It is said to-day that the standard of living amongst wage earners is steadily increasing. While that is true; while the standard of living is increasing among those engaged in certain occupations, or members of labour organizations, the unskilled labourer has found it very much harder to keep up with that rising standard of living. It is among that class that you will find the man of seventy who is unable to provide for his last years. Our industrial system of to-day is called a capitalistic system, and it will be said to have failed if the great army of wage earners who have contributed their share towards the development and progress of our country are not fully taken care of, as well as those in the higher spheres of life. For that reason, Mr. Speaker, I am going to support this resolution.

Hon. R. B. BENNETT (West Calgary): I desire to offer a few observations only, Mr. Speaker, with reference to this matter. First of all, I think there has been some misapprehension on the part of some speakers as to what the real situation is. In the first place, it is quite clear, although it has never been exactly determined, that the provinces have perhaps sole jurisdiction with respect to the granting of old age pensions, and secondly, that this parliament has power by the grant of money to supplement the action of the provinces in that regard. The various committees of this House that have dealt with this matter apparently were entirely moved by those considerations, and in 1925, on the 16th day of June last year, the committee that had made the recommendations for pensions legislation saw fit to make another recommendation to this House, and that recommendation is one which I submit the government should give effect to. It is the recommendation of the committee of which the hon. member for Comox-Alberni (Mr. Neill) was a member. It is a recommendation which in my judgment recognizes the real difficulty of this situation. It is a recommendation which, if departed from, will bring about the condition of affairs to which the hon. gentleman from Labelle (Mr. Bourassa) referred this afternoon.

May I refer to the Journals for the 16th of June, 1925? I observe that—

> Mr. Raymond, from the special committee, appointed on the 1st of May last to make an inquiry into an old age pension system for Canada, to which was referred the correspondence arising from the proposals recommended to parliament on the 1st of July, 1924, for co-operative action on the part of the federal government and the governments of the several provinces, has the honour to report as follows.

After reviewing the correspondence and the opinion of the Deputy Minister of Justice the report proceeds:

> The enactment of such legislation would, however, involve the assumption by the Dominion of obligations involving heavy expenditures with regard to a matter which does not fall specifically within the Dominion field of legislation.
>
> Having given very careful consideration to the opinion submitted by the Department of Justice, and also to the respective views of the different provinces, your committee have come to the following conclusions:
>
> Firstly, that if the Dominion government were to proceed now with a scheme of old age pensions, it would have to be prepared to bear the entire expense, which would approximately amount to twenty-three million ($23,000,000) dollars annually, according to the data obtained in your committee's investigations.
>
> Secondly, that in view of the present financial conditions and heavy taxation of Canada, your committee would not feel warranted at the present moment in recommending such a large additional expenditure, annually.
>
> Thirdly, that this measure of social reform, in the opinion of your committee, is very important, and
>
> Fourthly, that since it is the opinion of the Department of Justice that the matter is one coming under the jurisdiction of the provinces, although open to assistance from the federal government, your committee, therefore, strongly recommend:—
>
> 1. That the federal government arrange with the premiers of the different provinces for a conference to be held during the coming recess of parliament at which an old age pension system shall be given the fullest consideration with a view to securing co-operative action, and that the report of the said conference be laid on the table at the next session of parliament for future consideration and action.
>
> 2. That the chairman of your committee, and one other of its members who would be familiar with the subject matter, be invited to attend the said conference.
>
> 3. That a copy of this report be forwarded to each premier of the several provinces.

Now may I direct the attention of this House to the fact that that report, accepted and adopted by parliament in June last, is

a report of the committee of which the hon. member for Comox-Alberni was a member, and that report clearly indicates, as clearly as words can, that this parliament should not proceed with this measure unless and until the provinces had agreed upon a co-operative system with respect to pensions throughout Canada. It is quite clear that as the election came shortly after, there was no likelihood of a conference being called between that time and the end of the year. There has been no opportunity for calling a conference since, and I do submit therefore that on the records of this parliament, upon the report of the committee, of which two hon. gentlemen at least of this House were then members, it is clearly apparent that it was not intended, contemplated, nor even thought by the committee that we should have an old age pension scheme put in force in Canada unless, as the committee points out, the Dominion government were prepared to bear the whole responsibility and pay the $23,000,000 annually in its entirety. The reasons for it were so admirably dealt with this afternoon by other speakers that I shall not refer to them, but as the hon. member for Labelle pointed out, if all the provinces did not agree, if one of the provinces did and another did not, and the citizens of the province that did not agree went into the province that did agree, then the new provincial home would be called upon to become responsible for the payment of part of the pension of those newcomers.

Now it is clear that parliament in 1925, and the committee that gave to this matter such unremitting care, as mentioned by the hon. member for Comox-Alberni, were clearly, and the members severally were of the opinion that there should be no old age pension legislation by this parliament unless the various provinces had agreed and had arrived at a conclusion with respect to it, and as the correspondence indicated that they were not agreed, and as the minister stated this afternoon there has been no further correspondence, therefore it follows that this parliament should not proceed with this matter at this time, and, Mr. Speaker, I do venture to plead with my friends opposite not to urge the government to proceed with it at this time. Faulty legislation placed upon the statute books the effect of which is to bring about chaos is very much to be deprecated. Anyone who has followed the course of legislation in any country, especially legislation of this character, will realize that where you rely solely and entirely upon experiments you have nothing but political action following political action, and what was intended to be a great benefit has in many instances been a positive disadvantage to the very class it was intended to benefit.

Let me for a moment point out that since this committee made its investigation, two changes of the utmost importance have taken place in the world. I refer first of all to the change that has taken place in England, and I venture to ask my friends who are interested in this matter to turn to volume 184 of the English Hansard, page 74, and read the speech of the Right Hon. Neville Chamberlain in moving the adoption of the new system in England, the system that now obtains and prevails there. That speech was opened on the 18th of May, 1925, and many months passed by before the legislation in question was finally adopted. I commend the speech to gentlemen who desire to observe the reasons that brought about the change in England, and which resulted in the old non-contributory system being superseded by a contributory system.

Mr. HEAPS: Is the hon. gentleman correct in his facts, that the other system has been superseded?

Mr. BENNETT: The word superseded I think is the correct word, because Mr. Chamberlain has pointed out that the old system which provided for pensions at the age of seventy, and which was a non-contributory system, was to be merged under certain conditions in the new scheme, which provides for pensions at sixty-five, and which is contributory in its character.

Mr. HEAPS: I happen to have a copy of the act in my hand, and I do not think the hon. gentleman's statement is entirely correct. What has happened there is that the old system remains as it was, but it has been added to by a contributory system, as the hon. gentleman has just stated.

Mr. BENNETT: I am sorry the hon. gentleman has not, in my judgment, correctly observed all the facts, because I shall read in a moment from the address made by Mr. Chamberlain at Birmingham and broadcast throughout the kingdom, explaining the operation of the new system and its effect upon the old. It only takes a single page, and I shall read it because it is of importance to this House to observe how in Great Britain they have seen the faults of the non-contributory system; and in Australia, in 1925, at the very time this House was considering the report of the special committee, a recommendation was made that their non-contributory system should be changed to con-

tributory system; and in Belgium, where they had a non-contributory system, the same recommendation has been made and put into effect. The reasons for it are admirably explained by the late Right Hon. Joseph Chamberlain in a speech which he made at Birmingham in 1906, and which was quoted by his son in moving the second reading of the old age pension bill in England last year. The late Mr. Joseph Chamberlain said:

> All I have done in reference to this matter is to express my own sense of the necessity of enabling the industrious working people to make a better provision for old age—

Observe the words:

> —to enable "working people" to make a better provision for old age, and to put before the working people of this country one or two circumstances, two plans in particular, which I have said and which I maintain are perfectly simple and clearly to be understood, which are within the reach of the working class of this country. . . That is my part in the matter, and I still think that this better provision ought to be, and should be made by the House of Commons. But it is not, and never will be so far as I am concerned, a proposal for anything in the nature of a universal old age pension, which, I believe, is impracticable from the point of view of its expense and which I believe, is immoral and undesirable from the point of view of its influence upon thrift and industry.

That in 1906 expressed the considered opinion of the Right Hon. Joseph Chamberlain, and his son, in moving the second reading of the most recent legislation of that character in England, gave expression to his father's sentiments by quoting the language I have just read, and upon that predicated a measure of reform that is now part of the legislation of England.

I do contend, Sir, that in this new country, with our great undeveloped natural resources, with our necessarily very large number of young people, it is of the utmost importance that we should have some contributory system of pensions rather than a non-contributory system. I say that for two reasons: First, because there is nothing more serious in a new country than that men should grow up with the idea or thought that they are to rely upon what is now called in England the dole; and secondly; that habits of thrift and economy should be encouraged and developed among the people if we are to take our place among the great nations of the world. I am convinced of that. The late Sir Richard Cartwright, who occupied so commanding a place in parliament, gave to this matter, as you will remember, a very great deal of time and attention. When he found himself in a position where the government of which he was a member could command the support of parliament, he introduced and caused to be passed through parliament the system with respect to annuities that we have upon our statute books. He did it to encourage habits of thrift. He did it that the young might, by saving small sums in their younger days, be able to have a fair and decent annuity in their old age.

Now, I will take the trouble to quote a few figures, and I trust I shall not weary the House by doing so. Let me put this case to the House: Assume that a young man of twenty desires to provide for his old age. If he goes into the government annuity office in this city, which is maintained at the public expense but which is not used so much as it should be, and desires to purchase from the government of this country an annuity, and if he will for each month during the year 1926 pay the small sum of 84 cents—a little less, I think—he will when he becomes seventy years of age have an annuity of a dollar a month.

An hon. MEMBER: Eighty-four cents per what?

Mr. BENNETT: Per month for only one year. If he does that, he will get a contract entitling him to $1 per month for the rest of his life commencing at the age of seventy. Now if at the age of twenty-four he desires to buy another annuity of $1 a month commencing at the age of seventy he will only have to pay $1.10 a month for that year. If again, not having bought an annuity in the intervening years, he does during the twelve months of his twenty-ninth year pay $1.40 per month, he buys an additional annuity of $1 per month commencing at seventy. At age thirty-four he would pay $1.80 per month for that year to secure an additional deferred annuity of $1 per month at seventy, while at forty-four he would have to pay $3.03 a month for that twelve months to secure an additional $1 per month commencing at seventy. Every year would thus be complete within itself; and if he makes the twelve payments for any one of the years between twenty and seventy he will have bought for himself a deferred annuity of $1 per month, commencing at seventy, for each of the years in which he has made the appropriate payments between the ages of twenty and seventy. I sometimes dislike the term "old age pension", preferring to use the expression "deferred annuity". If by these savings he desires to accumulate for himself a small annuity, an annuity say of $20 per month after seventy, all he has to do between the ages of twenty and seventy, a period of fifty years, is to accumulate during the term of twenty years, which need not be

consecutive, sums varying from 84 cents a month to $4 a month. My suggestion, Sir, is that this parliament would be discharging its proper functions if it placed upon the statute books of Canada an act that will enable the young man who had thus shown this evidence of thrift to obtain an additional annuity of $5 per month, making a total of $25 per month instead of $20, the state contributing the $5 per month as an incentive to him to exercise thrift and economy during the earlier years of his life. That is my suggestion to the House at this time, because there are few matters which interest me more. No man who reads at all, no man who observes the operation of the great laws that have to do with the development of the human mind in the last fifty years can fail to be impressed with the necessity of this parliament, the necessity of this young nation, making some provision for the future old age of its citizens.

I refer my hon. friends to another volume of the English Hansard, volume 183 commencing at page 71 where they will find the great speech of Mr. Churchill, Chancellor of the Exchequer, in developing the reasons and arguments that induced the English government to deal with old age pensions as it did in 1925. It is pointed out what is well known, that the English actuaries and the permanent civil servants of that country, who really rule it, spent months and months of time in working out the plan or scheme, and in the end the amount of money involved in that measure which was introduced by Mr. Chamberlain, after it had been opened to the House in the speech of the Chancellor of the Exchequer, as a total capital expenditure amounts to the enormous sum of £760,000,000. That is what it amounts to, but that sum of money cannot be all provided at once. If we are to put an old age pension law in force in this country at the moment it is clear that the contributions of the state at the present time and in the immediate future must be larger than in the years to come, because if it is a self-sustaining system by contributions of those who come within its operation it is clear that the old people of to-day will not be able to contribute and the state will have to provide for their pensions practically in toto. But as days go by and the old people disappear, then every man within the Dominion who may hereafter claim a pension would become a contributor to the system. It requires no new machinery, it requires little new law. We have to-day in our annuity law a system of voluntary pensions. As you will remember, it was introduced by Sir Richard Cartwright for the purpose of encouraging thrift and economy on the part of our citizens. It has not been used as it should be, for reasons I do not dwell upon but which are in the minds of every hon. member present.

Now, as one more reason why I suggested the contributory system, I have given you some information indicating the trend of public opinion in Great Britain, in Australia, and various other countries. Perhaps the House would be interested in observing that there are twenty-five countries that have adopted an old age pension scheme of one form or another, and the sums payable as a rule are very trifling. They are larger in the states of the American union than they are in Europe. But of twenty-five countries of which we have reports as late as July, 1924, we have only the following countries in which there is no specific contribution from the beneficiary: Australia, in which a contributory plan has cince been recommended by a royal commission; Belgium, in which a contributory system became effective in 1926; Denmark and Great Britain, in which there was a change in 1925; New Zealand, Norway, Russia, and Uruguay. We have a voluntary contributory system in Canada and Hungary, two countries only, while there is a compulsory contributory system in force in fifteen countries, as follows: Argentine, Austria, Czecho-Slovakia, France, Germany, Greece, Iceland, Italy, Jugo-Slavia, Netherlands, Poland, Portugal, Roumania, Spain and Sweden. That indicates the trend of modern thought.

Mr. WOODSWORTH: Would the hon member say that any of those that have the contributing schemes are federal countries?

Mr. BENNETT: They are all federal in that they have one government.

Mr. WOODSWORTH: Are they federal in the sense that Canada is federal?

Mr. BENNETT: I do not think any of them are federal in the sense that the United States or Canada is federal, except Germany.

Now to proceed. In the United States of America the matter has engaged the attention of many of the states. I think the state of Arizona enacted the first old age pension law. I commend hon. members to a consideration of a report that has probably engaged the minds of more thoughful men for a longer period of time than any report yet made on this continent. I refer to the report on old age pensions by the commission on pensions appointed by the legislature of the state of Massachusetts and printed in November, 1925.

That is the fullest exposition of the history of old age pensions that I think can easily be found, and in the appendix commencing at page 281 there is a full review of pensions in all the various countries. I was amazed to find that Germany, where they have a federal system of government—in point of fact it is fourth among the federal systems of the world—expended in the last year of which I have a report, over $103,000,000 in pensions, and that Great Britain expended only a million more, making $104,000,000. In Australia, with the non-contributory system, they find the pressure of politicians upon the government so strong that a royal commission investigating the matter has recommended a contributory system. Why? For reasons that I am sure must commend themselve to the government and to hon. members in this House. Every time a general election came round the constituent got busy for an increase of the monthly allowance. No contributions being made, it was an incentive to idleness, and in many respects did much to bring about conditions which the people of Australia very greatly deprecated; so much so that in the end they recommended that the contributory system be relied upon in order that the men who demand more money shall make larger contributions.

There are many other facts to which I should like to allude, and which I possibly may refer to if the measure goes to a second reading, but I rose to-night to plead with the administration and more with the members of this House who are forcing the legislation upon the administration—I do not use the words in any offensive sense—the desirability of not now passing this resolution. I implore them to give to this matter further time and consideration. I ask them not to hurry forward the legislation, and I promise them that so long as I am in the House—and I think I know the sentiments of some of my hon. friends on this side of the House—we will give every assistance we can in the way of suggestions or useful constructive criticism.

I want to see in this country a system providing for old age deferred annuities, for old age pension. But in this new young country, with its resources untouched and undeveloped, where we are endeavouring to develop a hardy spirit of enterprise on the part of our citizens, where we want them to look upon the government as an instrument for their well-being and not something on which they are to depend for sustenance, I do plead with the government to give the opportunity which the committee of last year promised would be given, namely, the calling together of representatives of all the provinces in order that a conclusion may be arrived at that will be fitting for so great and important a subject. This House has not been called upon to deal with any matter more important nor any subject more far-reaching in its operations and in its effect. Mr. Churchill in his great speech dealt with this subject, and Mr. Chamberlain said, "You cannot speak of this matter from the standpoint of to-day; it is what is going to happen fifty years from now." Mr. Churchill pointed out that with the prolongation of human life by the application of scientific modern methods; with the improvement in the health of the citizens, we will have a longer life and there will be an increased financial obligation upon the state. And I ask my friends who are so bent upon putting this through to pause, to consider, to weigh, and to ask whether or not we are lighty to disregard the recommendations of the committee that gave such time, such consideration and such thought to this matter.

I know that the right hon. leader of the government has given much time, thought and consideration to this question. Anyone who has read his work, Industry and Humanity, must be impressed with the fact that this is a social problem in which he is deeply interested, and I do ask him whether or not he believes that legislation hastily considered and placed upon the statute books of the country, pledging the credit of the country, against the recommendation of the committee, placing upon posterity a burden that cannot be easily shaken off is in the best interests of Canada. The great difficulty in a matter of this kind is that once you enact a law and place it on the statute book, and once you incur financial responsibility, you cannot lightly shake it off, as you can your overcoat. These are the obligations that stick and remain with us, and I do ask in the name of all those who are desirous of bringing about the best form of legislation, who know that hurried legislation very often is worse than none at all, who realize, if they will take the time to read the report made in the state of Massachusetts, the debate in the English House and the discussions that there took place, the far-reaching consequences of these proposals I ask them all to pause and consider. I wonder if hon. members would like to hear the message broadcast by Mr. Chamberlain. It is not very long.

Some hon. MEMBERS: Go ahead.

Mr. BENNETT: It is worth reading, because it is Mr. Chamberlain's message to the people of Great Britain when the new act

was being brought into force. With the reading of this message I will close what I have to say, because it puts the whole matter so shortly before the people that possibly I can best put my case for contribution and for really careful, calm consideration of the matter in his words. Speaking on the 22nd of September last, at the Birmingham broadcasting station, he said:

The plan, then, is to help people whose means have not allowed them to provide for their widows or orphans or old age, but who have done something towards it. If you put by a few pence a week all your life, it will amount to a good many pounds by the time you are sixty-five. But you may never live to be sixty-five, and if you die young your savings won't go any way at all to support a widow and young children. But suppose you join with a lot of other people and agree to put all your savings together into one common fund, those who die young and are unmarried when they die or who live to be old will get much more than they have to put in. In other words, some will pay more than they get and others will get more than they pay, but all will be free of a great anxiety. That plan is what we call insurance. This is the plan adopted in the pensions scheme and it means that no one gets a pension who is not covered by any insurance. . . . .

Now you are doubtless aware that under the National Insurance Scheme the contributions are paid partly by the employed person, partly by the employer and partly by the state; so it is also in the case of the pensions scheme. The total additional contribution required is eight pence per week for each insured man and four pence for each insured woman, paid half by the employer and half by the employed person, but under an act passed last session we have been able at the same time to make a reduction in the amounts payable in respect of unemployment insurance so that people that come under that scheme—that is, practically everyone except domestic servants and agricultural workers—will get all the benefits of the pensions scheme for the absurdly low contribution of two pence per week per man and one pence a week per woman plus a similar contribution from the employer. These contributions will begin to be paid on the 4th January next. . . . .

That is, January, 1926.

Now I dare say some of you are wanting to interrupt and ask "Where does the state come in? What is the state's contribution?" Well, if the scheme only provided pensions for those who entered it at the age of sixteen, we should not require any help from the state at all. But then there would be no old age pension payable for another fifty years, and it would be very hard on people who are over sixteen to-day and who have had no opportunity of paying contributions because the scheme was not in existence. And so the state comes in and makes up what is missing in their case. And it also gives help to certain existing widows with young children, orphans and old people in respect of whom, of course, no contributions at all have been paid. Altogether the liability which the state has assumed in connection with the scheme is estimated at upwards of £760,000,000.

I will now tell you briefly what the benefits are and when they will first be payable.

Widows' pensions will be ten shillings a week, with allowances for children under the age of fourteen, or under the age of sixteen, if still at school, five shillings a week for the eldest child and three shillings a week for each of the younger children, and when the first child passes the age of fourteen or sixteen, as the case may be, the second succeeds to the five shillings and so on. The pension of ten shillings will continue for life or until the widow remarries. In the case of existing widows whose husbands died before the act, they will only be eligible for pension if they have at least one child under fourteen years of age on the 4th January next, and the widow's pension will cease six months after the youngest child attains the age of fourteen.

An orphan's pension will be seven shillings six pence a week and will continue so long as the child is under fourteen, or under sixteen if still at school. The rate of pension is the same for each child in one family.

Old age pensions are provided for insured persons and their wives after the age of sixty-five. These old age pensions will be ten shillings a week. All inquiries as to means, residence or nationality, at present imposed by the Old Age Pension Acts, are swept away for people who are insured under the new act.

Then follows a statement as to the dates on which the pensions begin. In this country it is perfectly clear that if the provinces undertake this responsibility alone, the result will not be satisfactory. It is essential that our Dominion should in some way be identified with and become a partner in this scheme. How that may be effected has been suggested —I will not dwell on it again—as a merely voluntary contribution in money—and observe that the whole details of this are to be worked out by the provinces, the Dominion only approving. A second method would be by advertising and pressing our annuity scheme and then providing further, as I said at the opening of my observations, that we as a parliament should add say twenty or twenty-five per cent to what the man or woman had been able to save between twenty and seventy years of age. In other words, thrift secures its corresponding reward; economy brings ultimate comfort. I hope we will not lightly rush into this matter when the committee gave it so much study and consideration and this House unanimously adopted a report that we should not take action until it is determined whether or not the provinces desire to co-operate. By proceeding as is now proposed we secure a result which the committee thought would mean chaos if all the provinces did not participate, a result which could be met only by the Dominion paying the whole amount.

I apologize for trespassing again to-night upon the time of the House, but I feel very strongly on this subject. I am deeply interested in it; I desire to see it succeed. I am convinced that it cannot succeed without the co-operation of all the provinces, unless the Dominion, in defiance of our constitutional jurisdiction as voiced by the Deputy Minister of Justice, sees fit to undertake the whole responsibility, which would involve us in an expenditure of $23,000,000 per annum

and, in a very short time, an expenditure of $40,000,000 per annum, an expenditure entirely too large for us to entertain at the present time. I think the government, therefore, will be well advised perhaps to release the whip on its own members and let the opinion of the House as a whole determine whether or not it is desirable at this session to push into this matter or, in the light of a subsequent conference between the provincial and Dominion authorities, arrive at a conclusion which will enable us to place on our statute books legislation of a character that will redound to the credit of this country and that will maintain the confidence and self-respect of the future citizens of this Dominion by encouraging the practice of economy and thrift, while providing for the aged of to-day by suitable contributions to provincial schemes.

Mr. HANNESSON: Do I understand that the Massachusetts report recommended the contributory system?

Mr. BENNETT: No. The Massachusetts report, by a division of three to two, recommended a non-contributory system for reasons they gave, but they stated that it must be at once met by increased taxation such as a $2 poll tax upon its citizens and an increase of one-half of one per cent of the income tax to raise an annual sum of $6,500,000.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I think there is an understanding, although it has not been formally expressed, that the House will not sit quite as late to-night as it did last night, but that we will adjourn shortly after ten o'clock. For that reason I shall not attempt to speak at any length on the resolution which is before the House, but I should like to follow my hon. friend in a few words in reference to some of the points he has brought to the attention of hon. members in, I must say, an admirable manner.

Speaking generally on the question of social insurance, of which old age pensions is one form, I agree entirely with the point of view which my hon. friend has expressed, that a contributory system is the proper one to adopt. I think it is desirable to enlist not merely the sympathies but the active participation of individuals in schemes of social insurance that are intended for their benefit. But while I entertain that view, I think a study of the question will go to show that, with respect to old age pensions, particularly their immediate application in countries that have systems of social insurance to-day, the schemes have been intitiated not under a contributory system but by a method such as is being proposed at the present time. It is important that the principle on the part of the state that there is an obligation be acknowledged at the outset. I will not assert the theory that the state owes a man a living or any part of a living, but rather that social justice demands, under the system in which industry is carried on to-day, where the rights of private property are recognized to the full, that there should be means whereby individuals who are not possessed of and have little means of acquiring private property to any extent should not be obliged to suffer unaided the handicaps of such a system, but that the state itself should recognize some obligations towards them as a consequence of the manner in which industry is carried on. If we were legislating as my hon. friend has suggested, for young people of the age of ten or twelve; if we were providing an old age scheme for page boys about the House, for schoolboys and girls, then it would be wise to lay emphasis upon the importance of a contribution on their part towards a system intended to help to maintain them in their old age. But I take it that this House at the present time, in discussing old age pensions, is not thinking of young people of ten, twenty or thirty years of age or even of persons of forty or fifty years of age. We are thinking more particularly of that large body of men and women now in Canada who are approaching the age of seventy years. We have in mind those between the ages of sixty and seventy who are finding it difficult to get the assurance that their declining years are not going to be spent in dependence on charity. It is for such people that we are legislating at the moment. We have in view men and women in Canada between the ages of fifty and seventy who are facing actual concrete conditions as they prevail in this Dominion to-day. That embraces hundreds, yes thousands of men and women who are earning their livelihood in factories and workshops, in different forms of clerical employment, as well as the thousands who as pioneers have contributed so largely to the upbuilding of the Dominion but who in their effort to bring up their families have been unable to lay aside any sum of money sufficient to maintain them in their old age.

Mr. BENNETT: Does the right hon. gentleman realize, when he says that he is dealing with people between the ages of fifty and seventy, that this involves the maintenance of this principle for twenty years, and that at the expiration of that time the

actuarial figures would place the country's responsibility at a sum upwards of $40,000,000?

Mr. MACKENZIE KING: I will make clear what I have in mind. My hon. friend has discussed in a way that is helpful the legislation that has been passed in Great Britain as recently as within the last year. But he might have emphasized at the same time the fact that England introduced her old age pension scheme in 1909. It was amended in 1911 and again in 1919, having been maintained all this while as a non-contributory scheme. But what has developed in Great Britain in the recent past? Alongside old age pensions there has grown up a system of social insurance applying to many phases of life—insurance against unemployment, insurance against invalidism, insurance against accident, insurance against disease and insurance in the way of maternity benefits, and so forth—a great mass of social insurance all of which relates to the hazards of industry incident to that large part of the population engaged in industrial pursuits of one kind or another. And recent legislation has assembled these various forms of social insurance into one great compendium, so to speak, and linked up the old age pensions system therewith.

In this country, I should like to see the annuities plan which, as my hon. friend has said, was inaugurated by Sir Richard Cartwright, developed into a comprehensive system of social insurance. But I do not believe that this can be accomplished solely by the federal government; it would have to receive the co-operation of the provinces. We must in some way establish that link between the provinces and the Dominion which will conduce to the working out of a great social insurance scheme along these lines. That will not be achieved in a year; as in other countries it will require time. The old age pension phase of the question is one that has an immediate bearing in respect of people of advanced years. Surely, then, we shall not be running any great risk so far as future generations are concerned if we put upon the statutes this year legislation which will hold out an inducement to the provinces to come together in conference for the purpose of discussing social legislation generally.

In the course of the debate to-day reference has been made to the old age pensions scheme as though it were something related particularly to inmates of poorhouses. I am inclined to feel that there is no class in human society to-day that has not in its numbers a very considerable percentage of persons who are living in constant dread of the moment when, in their advanced years, they will be thrown upon their children or upon society for support. I fancy there are many members of the legal and medical professions, clergymen and their wives, besides numbers of civil servants, clerks in all branches of occupation, who as they approach the age of fifty or sixty find that in a very few years' time every dollar which they have been able to put by gradually disappears, while simultaneously their earning capacity has been very seriously impaired. We are living under industrial conditions very different from those which the world has known heretofore. We are living in an age of keen competition, not only as between locality and locality, between state and state, between province and province, or between countries, but between continent and continent, and conditions affecting one quarter of the world are bound to react very soon in another quarter. Men and women, therefore, through no fault of their own find themselves thrown out of their occupations and unable to gain a livelihood. Consider industry for a moment. The processes of industrial life to-day hinge more and more upon a division of labour, and in an ever-increasing degree individuals are becoming specialists. The whole development of power, from water-power to steam and from steam to electricity, has been in the nature of an intensifying process which makes it impossible for men and women, once they have attained a certain age, to hold their own in the competitive arena. Consequently they are thrown to one side by a younger generation better adapted to the tasks which they have been performing and left to seek work in other directions. We all know this, and, knowing it, I think we feel the necessity of making some provision whereby men and women after they have done the best they can through life, should be freed, on attaining the age of seventy, from that fear of dependence upon charity which carries with it a sort of stigma at the end of a life of honourable activity.

My hon. friend said that the report which the committee brought in offered a reason to which the government at the moment should give heed. He left, I think, the impression that the report suggested that this work was only to be gone on with when all the provinces should agree to co-operate. I do not read the report in that way. I venture to say that had the committee reported that we should wait until all the provinces agreed to co-operate in any scheme of insurance the committee would virtually have declared that in its opinion the question should not be considered for some years to come. Here is

the clause of the report which my hon. friend read, but let me direct his attention to the wording of it:

That the federal government arrange with the premiers of the different provinces for a conference to be held during the coming recess of parliament at which an old age pension system shall be given the fullest consideration with a view to securing co-operative action, and that the report of the said conference be laid on the table at the next session of parliament for future consideration and action.

Mr. BENNETT: "Future consideration and action".

Mr. MACKENZIE KING: Yes, but the report says, "at which an old age pension system shall be given the fullest consideration, with a view to securing co-operative action—". I venture to say that it will be necessary, before this scheme is worked out in an effective manner, to have a conference of the premiers or other representatives of the different provinces, to consider how the provinces can most effectively work in under the plan that is here proposed, but the thing that will help bring about co-operative action is having something concrete to lay before them.

Mr. BENNETT: The report has it the other way. "That the report of the said conference be laid on the table at the next session of parliament for future consideration and action".

Mr. MACKENZIE KING: I am quite prepared to admit that that had reference to a conference. If a conference had been called last summer that action would have been taken, but as my hon. friend knows it was impossible to have a conference last summer, which makes the laying of a report on the table impossible at the present time. It does not, however, make impossible the preparation by this government of a carefully drafted method of assisting the provinces in an old age pension scheme, and then, when that plan is adopted, an invitation to the provinces to meet with members of the federal government to consider regulations for the carrying out of the plan. That procedure does not in any way preclude the conference; indeed, it will help bring about the conference in an effective way. It practically suggests that a step of that kind will be taken and ought to be taken.

In regard to legislation of this kind which necessarily is in part a matter of provincial legislation, I agree with my hon. friend that so far as the federal government is concerned our duty is largely that of assisting such of the provinces as are willing to undertake such a scheme as is proposed. If that is true, I think it follows that it is very desirable to have, so far as it is possible to have it, uniformity among the different provinces in any scheme adopted. An unfortunate feature which arises from the division between the provinces on matters relating to industry is that there are so many different standards in the different provinces. One of the greatest needs in the industrial life of Canada to-day is that the standards governing industrial relations should be more or less identical as between one province and another. That can only be brought about by some kind of action on the part of the federal government leading to co-operation between the federal government and the provinces and among the different provinces themselves. I submit that this scheme of old age pensions as here drafted will have that effect. It will be the natural thing to ask the representatives of the provincial governments to meet with the department of the federal government which may be administering the old age pensions plan, to discuss further its details, and to consider the regulations for its effective operation.

I did not really mean to take any part in the discussion this evening, but I felt that I would like to follow my hon. friend in one or two points which he developed. I hope I have shown him that they are factors which the government did not fail to take into account and did not overlook, but that so far as the purpose of the immediate legislation is concerned, it looks to providing a pension for men and women of the generation that is passing away, or will have passed away in the course of a very few years. That is primarily what we are considering at this moment, and in considering men and women of that category we will, I think, be taking the first necessary step to bring about that larger measure of contributory social insurance which is one of the great needs of our time.

Mr. STEVENS: Would the right hon. gentleman permit a question, or rather two questions in one?

Mr. MACKENZIE KING: Certainly.

Mr. STEVENS: Does it not follow that before this legislation can be made applicable the provinces will have to pass legislation? Secondly, will not such legislation to be passed by the provinces have to conform, generally speaking, to the provisions of this federal act?

Mr. MACKENZIE KING: Yes.

Mr. STEVENS: Therefore would it not be better to have the conference prior to the passing of this legislation?

Mr. MACKENZIE KING: I think my hon. friend, if he looks into his heart of hearts, will agree with me when I say that if we are in a position to put before representatives of the provinces a plan which has been drafted and carefully considered, and an act passed by this parliament, and to invite the attention of the provinces to what may be essential in the way of amendment to it or its relation to their own legislation, a measure of co-operation can be obtained that would not be possible if the provinces were simply brought together without any concrete legislation before them for consideration. I think what will happen is this: under this legislation, which I hope will be passed this session, until the provinces themselves undertake to conform to the regulations here laid down, not a dollar will be taken out of the public treasury. That will mean that the provinces will have to consider whether or not this is an act they will care to come under.

Mr. WHITE (Mount Royal): All the provinces?

Mr. MACKENZIE KING: No, any province which cares to adopt legislation of that character. In that regard may I say that as between the different provinces I fail to see where there is a distinction to be drawn between the money voted by this parliament say for the purposes of immigration, which may go to place a man or woman in any one of the provinces, and money voted for preserving the individual, no matter in what part of the Dominion he may be found. Human beings are the greatest of the resources of the country. What we are here considering is human life. An individual, no matter which province he is in, is an asset to the Dominion as a whole, and it is from that point of view that the Dominion is, I think, considering this matter.

Mr. WHITE (Mount Royal): May I point out that in the case of an immigrant he becomes a producer, while old age pensions are given to indigents?

Mr. MACKENZIE KING: My hon. friend has presented a point of view which I hope this House will consider. He says that one man is a producer and the other an indigent. I have here a letter which I would like to read to the House. It was written by an elderly lady in Alberta in June, 1925. I will not read the whole letter, because it has some references to matters which I think need not be placed on record at the moment, although I shall be glad to show the entire letter to my hon. friend if he so desires. The letter begins by drawing my attention to the fact that this parliament recently voted a large sum of money by way of an annuity to one who had been a distinguished member of parliament. It points out that sums of money were voted by this parliament to cover some of the expenses incident to the visit of a great general from overseas and for other purposes, and it continues:

> I am impelled to write you on the old age pension. The poor old people, the pioneers of Canada, who have worked hard against great odds and nothing like a salary in return, have to stand aside while these large sums are disbursed. It will be extremely inconsistent should the old age pension bill not pass very soon, with the powers that be in parliament.

The letter next refers to a sum of money that had been raised for assistance in some connection, and then goes on:

> Worthy these gentlemen may all be, but it gives one the notion that if men getting such immense salaries and sums of money cannot make provision for a time when they cannot work, how possibly can a working man do so? It would be a boon if something can be done to relieve the hardships of the working class, especially when they reach an age which makes it difficult to live. Most of whom cannot work at an advanced age, and are not wanted at work either. My husband is turned 72, and is as yet strong and able to work, and does work hard. Still he is feeling the effects of age, along with work, which he has never shirked, but has had his share of trouble and losses, making him feel that he, along with others, deserve some consideration from the country.

I say to my hon. friend from Mount Royal (Mr. White) that the woman who wrote that letter was not an indigent; her husband, even had he been unable to do any work, is not to be classel as an indigent; they are two people who have helped to make this country what it is; they have helped to make the wealth of this country.

The whole principle of this old age pension is based, not on the thought that the state is giving something to an indigent or that the state owes something to individuals, but on a sense of social justice arising out of a condition of society based on the rights of private poverty. While my hon. friend and I may have been fortunate enough to start in life with a little capital and to have had opportunities to make investments that will enable us as we get on to maturer years to look forward to the period between seventy and eighty with a degree of confidence—while that may be possible for him and for me, it is not possible for hundreds of thousands of people in this country, for people working on the farm and in the factory, the people who are day after day producing the

wealth from which we are able to derive our profits, the interest on our investments.

This legislation looks to personality rather than to possessions, it looks to human life rather than to material wealth. We are seeking in making provision for old age to do something which will maintain in the individual that respect and that feeling of pride to which everyone is entitled who serves his day and generation faithfully and well, and serves it against the odds and vicissitudes particularly of our present day. That is the purpose of this legislation, and I am sure that my hon. friend, when he thinks of it from that point of view, will be one of the first to join with the rest of us in doing what he can to have it made part of the law of this land.

May I in conclusion say just one word more? Some hon. members of this House have intimated, indirectly this afternoon, directly on other occasions, that in this matter the government, and more particularly myself, have been influenced by political considerations; that this legislation is being brought forward not from conviction but for reasons of political expediency. I would ask hon. members to pardon me, in view of that circumstance, if I undertake to give to the House, not words that spring from my lips at the moment, but words which appear in a volume I wrote some years ago and which was published as long ago as eight years. The volume is entitled "Industry and Humanity—Some Principles underlying Industrial Reconstruction." It was alluded to a moment ago by my hon. friend, the member for Calgary. I will read only a paragraph or two, but they will put more succinctly than I am able to do while on my feet at the moment my convictions and beliefs on this matter. In one paragraph dealing with the question of social insurance I have these words:

Social insurance, which in reality is health insurance in one form or another, is a means employed in most industrial countries to bring about a wider measure of social justice, without, on the one hand, disturbing the institution of private property and its advantages to the community, or, on the other, imperilling the thrift and industry of individuals. Social insurance looks upon industry as in the nature of social service. It regards the owner of land or capital as a capitalist, but also as a public trustee. It looks upon the worker in industry as a wage-earner, but equally as a necessary member of the community. It places the emphasis on personality rather than on property, and on life rather than on wealth.

Workmen's compensation, sickness and invalidity insurance, widows' pensions, maternity and infant benefits, recognize wherein personal relationships in industry have changed, and where as a consequence of new conditions permanent handicaps arise. The social legislation of which these measures are an expression rejects, as unworthy, the thought that men and women voluntarily incur accident, sickness, disease, enfeebled health, or dependence in distress, any more than they willingly seek enslavement of any kind. It recognizes the difficulty of differentiating between industrial accident and occupational disease; and between disease occasioned by occupation or its environments and illness otherwise contracted; also the impossibility of dissociating from economic conditions the social waste caused by excessive and preventable illness. It sees that debt binds health as it binds freedom, that sickness represents the most frequent factor of individual destitution, and that it is in painful crises that handicaps for the whole of life are oftenest imposed. 'To save the spirit of men from being crushed is quite as important as to prevent their bodies from being broken or infected. Many a man's spirit fails when, through no fault of his own, or of his family, efficiency is permanently impaired through accident, or savings become exhausted by unemployment or sickness, or where a new life in the home suggests an additional burden instead of a joy. Much invalidity and penury is due to lack of character and thrift; but much also is evidence of want of effective social control. What society fails effectively to prevent, society is in some measure under obligation to mend.

Then coming to old age pensions, I have the following:

Old age pensions are similar. They are based, not on the theory that the state owes every man a living, but rather on the fact that the provision of an assured competence for old age is an easy matter for some, whilst, for others, it is most difficult, if not wholly impossible. After all allowance has been made for superior thrift, intelligence, and integrity, it must be admitted that to the man who has capital to begin with, or whom society permits to own and control vast natural resources, there are opportunities of saving not possible to the worker who possess no capital, and who has to face uncertainties of employment and contend, unaided, against all kinds of vicissitudes. It is obvious that existing forces of world competition operate to rob advanced years of opportunities of employment, which, under the less strenuous regime of earlier times, were available to the close of life. There is need for society to assist in the protection of its members against a condition which simultaneously places burdens upon the worker whose day's work is done, and on the worker whose day's work is just beginning. If the young are to be given a fair start in life, the care of the aged should not be their first responsibility. If life-long public service in industry is to receive its fitting reward, years that are denied opportunity of employment should not be subjected to the humiliation of dependence or charity.

Those words were written, Mr. Speaker, when I had no thought of speaking on this question in the parliament of Canada. I am proud to be able to stand here to-night and to join with others in giving permanent expression in the legislation of our country to the ideas and the purposes that are therein expressed.

Hon. H. H. STEVENS (Vancouver Centre): Mr. Speaker, I rise not for the purpose of opposing this resolution. As a matter of fact, for some years I have on more than one occasion urged upon parliament the necessity of passing legislation of some character to deal with this problem of caring for old persons who have spent a life in usefulness and service to the community, and I am wholly in accord with the aim of all legis-

lation of this character. The reason I rose a moment ago to ask the hon. the Prime Minister the questions I put was not, as I think he inferred, because I wanted to criticize his position on the matter at all, but rather to clear from my own mind, if possible, the fear that had been lodged there that if this legislation is passed it will not be practicable or effective because of the very fact that we are offering to the provinces a finished product, shall I say, without consultation with them in advance.

I was under the impression, and I still am of that opinion, that this legislation would be more effective, more apt to be applied in a practical manner, if the provinces were consulted beforehand and brought into accord with the objects this parliament has in mind.

As to the suggestions made by the hon. member for West Calgary (Mr. Bennett) a moment ago, I must say that there was much in his remarks that impressed me very strongly. However, so far as I am concerned I want to declare my position, and it is simply this: If the government offers to parliament this legislation and takes the stand that we must either accept this legislation or none at all I shall find myself forced to vote for it.

I hope that when the bill comes down we may have some more light on the subject. I trust that we shall have in the bill, as no doubt we will, a little more clearly set forth the manner in which the legislation will be applied, and I would hope also that parliament might consider some of the clauses which I shall not take time to go into to-night, and perhaps amend or change some of them so as to make this measure to my mind more practical and more effective. But I wanted to say this, that I stand with many, many others in this House wholly in favour of the very best effort possible being made to solve this problem of old age pensions, and to assure the government and parliament that the last thing in my mind was to offer obstacles in the way of a solution of the problem. But again I say to the Prime Minister that I do believe the much wiser course would have been to have had a conference with the provinces and come to parliament with a bill which the provinces could have assured us was acceptable to them, or with some assurance that it was a measure a number of the provinces might be willing to accept. For instance, Mr. Speaker, if this measure should be unsuitable to two or three of the major provinces, or only one or two provinces accepted it, that would be a most unhappy outcome. What we want, if possible, is to get a measure which will be applicable throughout the whole country, suitable and acceptable to all the provinces. That is the point I wish to emphasize; that is the danger I see at the moment.

Sir EUGENE FISET (Rimouski): I had no intention whatever of taking any further part in this discussion, in view of the statement I made this afternoon in French that I was thoroughly in accord with the principle of this resolution. But as a military officer, in view of the kind references that have been made to me by the hon. member for Frontenac-Addington (Mr. Edwards) I feel that I should make a further statement to the House.

Sir, I would have had no objection whatever to the statements the hon. member made to-night if those statements simply referred to myself. But the hon. gentleman has taken it upon himself—and I am not surprised at it, coming from him—to make the statements he did at a time when two prominent men in this House, the hon. member for East Hamilton (Mr. Mewburn) and the hon. member for South Wellington (Mr. Guthrie) two former ministers under whom I served, were absent, from the chamber. Had these hon. gentlemen been present they could have furnished to the House a thorough explanation of the reasons why I was compelled to take my pension in 1922, and their explanation would have given a different aspect to the matter from that which the hon. member for Frontenac-Addington placed upon it.

The statement the hon. member has made that I am drawing a pension at the present time as an officer of the permanent force serving at headquarters is not absolutely correct. Bearing in mind the despatches that were read in the old House of Commons after the battle of Paardeberg, and remembering the decorations I received for my services in South Africa, I can easily say that I am not ashamed of my services at that time. I was quite willing to perform the same services in 1914, but I was refused the necessary permission, notwithstanding the fact that I offered to resign my rank and serve as a Lieutenant-Colonel in the ambulance corps. I was one of the first to volunteer for service overseas, but I was told by the minister at the head of the department at the time, and also by the then Prime Minister of this country, that my place was here and that my duty lay in Canada.

Mr. EDWARDS (Frontenac): Did I question that?

Sir EUGENE FISET: You did.

Mr. EDWARDS (Frontenac): In what way?

Sir EUGENE FISET: Further than that, I was forced to retire from the service in 1922. I did not go voluntarily; I was compelled to retire after undergoing a surgical operation of the most serious character—a fact which the hon. member for East Hamilton could easily have vouched for. I was forced to take my pension and go and live in the country. For a year, Sir, I was there on sick leave, having hemorrhages every fifteen days, and suffering to such an extent that in April, 1923, I had to go under the knife for the second time. During that period I applied to the government to extend my leave of absence, and the only answer I received when I was on the hospital bed was that my successor had been appointed. Therefore, Sir, the pension I am drawing was awarded because I was not in a fit state of health to perform my duties.

There is another point that has been forgotten, and it is this: no man in this country has paid as much for the pension he is enjoying as I have paid. Towards that pension I contributed five per cent of my salary during a period of thirty years of service. There is not a judge in the country, there is not a brother officer of the permanent corps, who has made contributions to the pension fund to the same extent. I paid that five per cent not only on my full salary as deputy minister, but also on my salary as vice president of the militia council.

I apologize, Mr. Speaker, for taking the time of the House to make these remarks but I consider that no hon. member has a right to make such glaring statements as those which have been made with respect to me to-night. I only wish I could characterize that conduct in language that is parliamentary. The reason for my speaking the second time is that I wanted to offer a defence, to the best of my ability in respect to the insinuations directed to-night against those men who were compelled to remain at headquarters here during the whole duration of the war and who performed loyally, and to the best of their ability, as I have done myself, Sir, their duty to their common country and to the empire.

Mr. EDWARDS (Frontenac): Mr. Speaker, I am not quite sure whether I have the right to rise to a question of privilege. I merely want to assure the hon. gentleman that I cast no imputation on his loyalty or on his courage in any degree—none whatever. I say now, as I said before, that the hon. member is drawing a pension which has been given to him and to others. I also say that viewing the matter of pensions as I do I only wish I had the power to wipe the system off the statute books and prevent him and many others from receiving them.

On motion of Mr. Hanson the debate was adjourned.

On motion of Mr. Robb the House adjourned at 10.45 p.m.

Monday, March 29, 1926

The House met at three o'clock.

TARIFF ADVISORY BOARD—PERSONNEL

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Mr. Speaker, may I ask if the tariff commission, or whatever it is called now, has yet been appointed, or if the government has changed its mind?

Right Hon. W. L. MACKENZIE KING (Prime Minister): The tariff advisory board is what I presume my hon. friend has reference to. The order in council appointing the board has not yet been passed. I hope that will be done in the course of a day or so.

Mr. MEIGHEN: Has the government reconsidered the personnel at all or does it intend to appoint those gentlemen named last week?

Mr. MACKENZIE KING: The government still has the personnel under consideration.

Mr. MEIGHEN: In reference to the statement of the Prime Minister, I desire to ask another question, and before doing so to quote his words in an answer given on 25th March, as follows:

> The Right Hon. Mr. Graham will, as I have said, be chairman and the other two members will be Mr. Joseph Daoust, ex-president of the Chamber of Commerce of Montreal, and Mr. Donald Gordon McKenzie from Brandon.

In the face of this statement, does the Prime Minister still persist that the personnel is under consideration?

Mr. MACKENZIE KING: If my right hon. friend will look at the concluding words of the statement I made and from which he has just quoted he will observe that I said that I hoped to be able "on Monday" to lay a copy of the order in council on the table

giving the personnel and the powers of the board. He will likewise observe that I was also about to mention the name of another gentleman—

Mr. MEIGHEN: The secretary?

Mr. MACKENZIE KING: The secretary, and I was informed that he had not formally given his consent to become a member of the board. I was answering my right hon. friend's question just at the moment without having had any previous notice of it, and I learned after I had announced the personnel that the other two members of the board also had not formally signified their acceptance, but that the matter was still being considered. I admit that I was a little premature in the statement, but subject to that I hoped to be able to make a full announcement by to-day.

Mr. MEIGHEN: May I ask, has the interview reported to have been given by one of the members had any effect on the reconsideration of the question?

Mr. MACKENZIE KING: Well, it undoubtedly would be taken into consideration along with other circumstances.

Mr. MEIGHEN: May I ask: Does the statement of principle made by the member in question represent the views of the government on the subject?

Mr. MACKENZIE KING: The views of the government will be expressed in the order in council which deals with the matter.

Mr. MEIGHEN: When may we expect the order in council?

Mr. LAPOINTE: Well, well!

Mr. MACKENZIE KING: I hope before the House adjourns at Easter.

CIVIL SERVICE COMMITTEE—1923

RECOMMENDATIONS CONCERNING SALARY SCHEDULES AND OTHER MATTERS

On the Orders of the Day:

Hon. H. H. STEVENS (Vancouver Centre): I desire to bring to the attention of the government what is described as a protest and an appeal of the Amalgamated Civil Servants of Canada. The document is issued by the local council, and based on it I wish to ask a brief question. I presume the government have received copies of this appeal, but I will briefly refer to it instead of reading the whole. It refers to the report of the parliamentary committee of 1923, and then goes on to say:

> Though these recommendations were concurred in by parliament in the year 1923, we find in 1926 that no action has been taken.

And so on. Then follows this paragraph:

> On behalf of our membership we emphatically protest against this most unsatisfactory method of dealing with staff side civil service problems. It is neither just nor in the best interests of the service, the servant or the public. As an elected representative of the people of Canada we appeal to you to do your part in assisting the civil servant to get some measure of fair treatment. Surely three years' delay is not the best that we may expect from those who are elected by the people of Canada to attend to its public affairs.

Based upon that quotation I would like to ask the government if any steps have been taken to carry out the recommendations of the parliamentary committee of 1923, which included a permanent revision of the salary schedules and the adjustment of other matters which, I may say, were in dispute between the government and the Amalgamated Civil Servants at that time. I presume the government have copies of this circular, but I will send over the copy which I now have.

Hon. ERNEST LAPOINTE (Secretary of State): The civil service is not under the Secretary of State, but I understand the Secretary of State is the via media between the Civil Service Commission and the government. I will make the necessary inquiry about the matter referred to by my hon. friend and will give him the information he desires.

Mr. STEVENS: I might apologize, Mr. Speaker, for not having given notice, and if the minister would give the answer fully tomorrow or the next day it will be satisfactory.

Mr. LAPOINTE: I will.

GREAT LAKES STEAMSHIP MERGER

On the Orders of the Day:

Mr. J. E. ARMSTRONG (East Lambton): I would like to ask the government what action, if any, has been taken to prevent the merger of the large steamship companies operating on the Great Lakes? The effect of such a merger can only be to increase the rates for carrying produce both east and west.

Hon. J. A. ROBB (Minister of Finance): Has my hon. friend any direct information that there is a proposed merger, other than the one already existing, which we corrected by legislation in 1922?

Mr. ARMSTRONG (Lambton): From time to time for several months past, Mr. Speaker, articles have been appearing in our papers in connection with this merger, and I am surprised that the attention of the Minister of Finance (Mr. Robb) has not already been directed to them. In the Canadian Railway

and Marine World for this month, you will find the following at page 125:

On February 23, a Toronto newspaper stated that Canada Steamship Lines had arranged to acquire the Great Lakes Transportation Company's fleet, including the steamship being built at Midland, Ontario, for slightly under $6,000,000, and also to acquire 1,500,000 common stock of Geo. Hall Coal and Shipping Corporation for approximately $2,000,000, and further that Canada Steamship Lines would issue consolidated bonds to retire existing issues, and provide about $10,000,000 additional, adding that the issue had been underwritten, W. H. Coverdale, president, Canada Steamship Lines, having arranged with an underwriting syndicate, including J. W. McConnell of Montreal, and a New York group.

I could add to this statement but I do not think it is at all necessary. I believe I am entitled to some answer from the Minister of Finance after making the statement which I have.

Mr. ROBB: I think I gave my hon. friend a complete answer: If there is any merger that is in opposition to the laws of the country, it is open to any person to take action in regard thereto.

AUSTRALIAN BUTTER—DUMPING CLAUSE

On the Orders of the Day:

Mr. DONALD SUTHERLAND (South Oxford): I should like to make an inquiry of the Minister of Finance regarding a question I asked on February 25th respecting the bonus being given by the Stabilization Committee of Australia to butter producers in that country. The minister informed the House that butter imported into Canada from Australia would be subject to the provisions of the dumping clause in our tariff. I should like to ask if the dumping clause has been applied to imports of butter from Australia and New Zealand since that time. I may say there have been upwards of 1,500,000 pounds of butter imported during the present month, and it is a very important matter.

Hon. J. A. ROBB (Minister of Finance): I observe that question No. 1 has something to do with this matter. I understand the answer to that question has been prepared and will be tabled when we come to it.

AUSTRALIAN AND NEW ZEALAND BUTTER—WRAPPERS

On the Orders of the Day:

Mr. DONALD SUTHERLAND (South Oxford): I should like to make inquiry of the Minister of Agriculture regarding an article which appeared in the Star Weekly of the 27th instant. The statement in question is attributed to Mr. J. A. McFeeters, Manager of the Toronto Creamery, and to another dealer in dairy produce, who contend that it is unfair to insist that butter coming to Canada from Australia and New Zealand should not be put up in wrappers indicating that it was made in Canada. I should like to ask whether the Minister of Agriculture, or the Department of Agriculture, permits this to be done, because it is the practice at the present time; the article indicates clearly that the practice is followed.

Hon. W. R. MOTHERWELL (Minister of Agriculture): The answer is covered in the reply that will be tabled to-day to question No. 1.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

AUSTRALIAN AND NEW ZEALAND BUTTER —WRAPPERS

Mr. ARMSTRONG (Lambton):

1. Is Australian or New Zealand butter sold in Canada in such a way as to lead the consumer to believe that he is purchasing the Canadian made product?

2. Is butter from Australia or New Zealand being sold in London and St. Thomas in wrappers similar to those used in wrapping Canadian butter, the only difference being that the registration number is not printed on the wrapper of the imported article?

3. Is it a fact that creameries now wrapping butter under their own trademark place their own registration number on the wrapper?

4. Could Australian butter be placed in the same wrapper with the registration number eliminated?

5. Is it not a fact that Australian butter is now being sold in Canada in wrappers similar to those used by Canadian creameries with the registration number omitted, and, if so, what does the government intend to do in regard to this matter?

6. Has the government issued instructions to their inspectors to tell vendors of Australian butter that they may use the same wrappers as heretofore, but that they must ship in plain boxes and not use creamery registration number either on the boxes or on the wrappers?

7. Is the dumping clause put into effect on all Australian butter, and if only applied to a portion of the butter imported from Australia, to what extent does the dumping clause apply?

Hon. Mr. MOTHERWELL:

1. As far as the Dairy and Cold Storage branch is aware Australian and New Zealand butter is not being sold in such a way as to lead the consumer to believe that he is purchasing a Canadian made product.

2. As far as the Dairy and Cold Storage branch is aware, butter is not being sold in London and St. Thomas in wrappers similar to those used in wrapping Canadian butter

with the exception that the registered number is omitted on the wrapper on the imported article. A London firm and a St. Thomas firm did for a time put Australian and New Zealand butter in wrappers bearing their respective registered numbers. In the latter part of February and the first part of March, the violation in this respect was pointed out to these two firms with the result that new wrappers in accordance with the legal requirements were provided.

3. Yes.

4. Australian butter cannot legally be placed in the creamery wrapper with the registered number eliminated if the wording of the wrapper indicates that the butter contained in the wrapper was made in the creamery which was doing the wrapping. Regulation 13A under the Dairy Industry Act reads as follows: "No person shall brand any cheese or brand any package containing cheese or butter in any manner that shall give false information as to the country or province of origin, or as to the cheese factory or creamery in which it was manufactured."

5. In as far as the Dairy and Cold Storage branch is aware Australian butter is not being sold in wrappers similar to those used by Canadian creameries with the exception that the registered number has been omitted. The regulations prohibit giving false information as to the creamery of origin. Creameries wrapping Australian and New Zealand butter are required to eliminate from the wrapper used on imported butter not only the registered number but any other wording which would give the impression that Australian or New Zealand butter was the product of the creamery which was printing and wrapping the Australian or New Zealand butter.

6. No. Inspectors have been instructed to advise vendors that registered numbers of Canadian creameries must not appear either on boxes or wrappers containing Australian or New Zealand butter.

7. All Australian butter sold to the purchaser in Canada at more than 5 per cent below the fair market value thereof as sold for home consumption at the time and place of direct exportation to Canada is subject to special or dumping duty.

DESPATCH OF CANADIAN TROOPS TO SIBERIA

Mr. WOODSWORTH:

1. By whose authority were Canadian troops sent to Siberia in 1918-19?

2. What was the cost of the expedition, and what portion of this was borne by Canada?

3. (a) What supplies were on hand at the time of the return of the expedition?

(b) How were these disposed of?

(c) What amounts were obtained for same?

Hon. Mr. LAPOINTE:

1. Authority P.C. 1983, dated August 12, 1918.

2. (a) No information; (b) $2,823,960.98.

3 (a) (b) and (c) No information.

NOTE.—The cost of all supplies, ammunition, etc., (except the initial issue of personal equipment and clothing for the Canadian personnel) was borne by the Imperial government, which assumed responsibility for same upon shipment from Vancouver and any balance remained in their hands. (See Hansard, p. 1034, April 7, 1920.) The Imperial government also paid all transportation charges from port of embarkation to Siberia and return. The pay and allowances of the Canadian personnel were borne by Canada.

HIGH COMMISSIONER'S OFFICE

Sir GEORGE PERLEY:

1. What is the annual ground rent of the premises now occupied by the High Commissioner and his staff in London?

2. For how many years does the present lease run?

3. Is there any increase in the rental before the end of that period?

4. What are the annual rates or taxes on the property?

5. What sum did Canada agree to pay the Union Club to acquire their rights in the premises?

6. What has been the total expense of the alterations and improvements made to the property?

Hon. Mr. KING (Kootenay):

1. £2,000.

2. Property held under a crown lease for a period of 60 years from the 5th January, 1903.

3. No.

4. No municipal rates have so far been paid. Question of liability for these rates still under discussion with His Majesty's government. Water rate is £729 per annum.

5. £225,000.

6. $427,131.62, including architect's commission.

ALBERTA NATURAL RESOURCES

Mr. MacDONALD (Cape Breton):

1. How many acres of land will be conveyed to the province of Alberta under the agreement dated January 9, 1926?

2. The approximate value of such lands?

3. How many acres are included in school lands refered to in said agreement and approximate value of same.

4. What is the amount of the school land fund to be transferred to the province under the said agreement?

5. What amount has been paid by the federal government to the said province to date on account of school lands?

6. How many acres have been added to each of the provinces of Quebec and Ontario since confederation?

Hon. Mr. STEWART:

1. Approximately 98,758,000 acres.

2. Impossible to give approximate value as most of this area is in unsurveyed territory.

3. Approximately 6,993,578 acres in surveyed and unsurveyed territory; impossible to give an approximate value.

4. Amount of principal moneys at credit Alberta school lands fund, March 1, 1926, $7,388,779.04.

5. Amount paid to September 30, 1925, $6,543,194.73.

6. Quebec 332,436,480 acres; Ontario 93,696,000 acres.

MR. ALPHONSE G. ROBICHAUD

Mr. HANSON:

1. Was Alphonse G. Robichaud an employee of the Department of Marine and Fisheries in the year of 1925?

2. Between what dates was he so employed?

3. What was his salary?

4. What particular duties were his?

5. Is he still employed by the department?

6. Did he receive remuneration from the department for the boat "J. G. Robichaud" during that period?

Hon. Mr. CARDIN:

1. Yes.

2. August 11 to September 2, 1925.

3. $3.50 per day with board (exclusive of Sundays).

4. Official observer on experimental scallop fishing boat.

5. No.

6. No.

MR. LAWRENCE HACHE

Mr. CULLIGAN:

1. Was Mr. Lawrence Hache, of Kedgewick, Restigouche county, New Brunswick, in the employ of the Customs and Excise Department, outside service, during the year 1925?

2. When was he so employed?

4. What salary did he receive?

4. Is he still employed? If not, when did the employment cease?

Hon. Mr. BOIVIN:

1. Yes.

2. October 1, 1925.

3. $100 per month.

4. Employment with salary ceased January 16, 1926. Re-employed without salary, February 27, 1926.

PICTOU—PRINCE EDWARD ISLAND STEAMSHIP SERVICE

Mr. MACDONALD (Kings):

1. What amount of subsidy was paid during the year 1925 for steamer or packet services between Pictou, Nova Scotia, and points in Prince Edward Island?

2. What service was given on the several routes?

3. What boats performed the services?

4. What amount of subsidy on each route, and to whom paid?

5. Is it the intention of the government to continue these services during the season of 1926?

Hon. Mr. ROBB:

1, 2, 3 and 4:

Subsidized Services between Pictou, N.S. and Prince Edward Island.

Route	Vessel employed	Service	Contractor	Subsidy paid
				$ cts.
Pictou, Murray Harbour, Georgetown and Montague, calling at way ports.	Muriel (gasoline schooner).	1 round trip weekly, during the season of navigation.	J. W. Smith, Pictou, N.S.	3,866 64
Charlottetown and Pictou	Hochelaga (steamer)	Daily, except Sunday, during the season of navigation.	Hochelaga Shipping & Towing Company, Halifax, N.S.	24,629 62
Pictou, Souris and the Magdalen Islands.	Lovat (steamer)....	Twice a week during the season of navigation.	Lovat S.S. Company, Halifax, N.S.	50,000 00

5. An amount has been placed in the estimates for the continuation of the subsidies for the Charlottetown and Pictou service and the Pictou, Souris and Magdalen Islands service during the coming season, but the subsidy for the Pictou, Murray harbour, Georgetown and Montague service has been discontinued.

[Mr. Macdonald (Richmond-West Cape Breton).]

DUTY ON RAW SUGAR

Mr. ARMSTRONG (Lambton):

1. What is the duty per pound at present on raw sugar similar in quality to the raw sugar taken from sugar beets coming into Canada from the West Indies and Australia, separately, and what will the duty be on said raw sugar when the treaty between Canada and the West Indies now before parliament is consummated?

2. What was the duty on same grade of raw sugar previous to the reduction of duty on this product in 1923?

3. How many vessels of the Canadian merchant marine operate between Canada and the West Indies?

4. What was the amount lost in operating these vessels each year since they have been placed in that service?

5. What subsidies, if any, were paid in years 1921, 1922, 1923, 1924, 1925, separately, to vessel owners operating between Canada and the West Indies?

Hon. Mr. ROBB:

1. The present customs duty on 96 degree raw sugar entering Canada is $1.28712 per hundred pounds under the general tariff and 45 cents per hundred pounds under the British preferential tariff. Raw sugar from the British West Indies and Australia enters Canada under the British preferential rate. The proposed Canada-British West Indies agreement does not require any change in the general tariff but stipulates that the British preferential tariff be $1 less than the general tariff rate.

2. Prior to the reduction of the general tariff rate in 1923, the duty on 96 degree raw sugar entering Canada was $1.68712 per hundred pounds under the general tariff and 85 cents per hundred pounds under the British preferential tariff. Australian raw sugar has enjoyed the British preferential tariff rate since 1906.

3. Five steamers.

4. Western Group of Islands:

	Operating Deficit	Subsidy received from West Indies Islands
1921..	$310,988 54	$59,090 00
1922..	255,320 96	59,250 00
1923..	153,064 10	43,458 83
1924..	119,228 34	39,146 52
1925..	98,756 60	*34,228 98

The above figures represent voyage operating results and do not include charges for interest, depreciation, annual overhaul and overhead expenses.

5.

Year	Subsidies
1921..	$340,666 56
1922..	340,666 56
1923..	318,810 60
1924..	318,051 20
1925..	322,051 20

SANDY BAY WHARF

Mr. DOUCET:

1. What was the amount voted for the construction of a wharf or breakwater at Sandy Bay, county of Matane?

2. What was the amount expended?

3. Were the moneys expended by day labour?

4. If so, who was the foreman in charge?

5. Did this foreman have the necessary experience?

6. How was the location of the wharf arrived at?

7. What was the foreman's salary per day?

8. Were specifications issued for the construction of such wharf?

9. By whom was the work inspected when completed?

Hon. Mr. KING (Kootenay):

1. $3,000.00 (1925-26).

2. $3,002.02.

3. Yes.

4. Ulric Verreault.

5. Work was satisfactorily completed by the foreman.

6. Wharf located where wanted by the parties interested in shipping and navigation after consultation with the district engineer.

7. $4 per working day.

8. Yes, specification of timber required issued to the foreman in charge of the work.

9. Senior Assistant Engineer L. G. Trudeau.

MARY E. FULLER

Mr. COTNAM:

1. Is the said Mary E. Fuller, appearing in estimates of the fiscal year 1927, under vote No. 76, the wife of Mr. T. W. Fuller, Assistant Chief Architect, Department of Public Works?

2. If so, under what regulation is this pension paid from year to year?

Hon. Mr. KING (Kootenay):

1. No.

2. No information.

MR. MAURICE CASEY

Mr. GOULET:

1. What is Mr. Maurice Casey's position in the Patent Office, Department of Trade and Commerce?

2. How is Mr. Casey classified and what salary is he receiving?

3. How old is he?

4. What is the nature of his work?

5. How long has he been in the service?

6. How long has he been absent in the last two years?

7. Has he applied for superannuation?

8. Who takes charge when he is not in his office?

Hon. Mr. ROBB:

1. Editor of the Patent Record.

2. Head Clerk, $2,640.

3. 66.

4. Editing, indexing, etc., the Patent Record, a technical publication issued every Tuesday. Directing and supervising the work and the clerks in connection therewith.

5. 44 years.

6. Three months sick leave in the fiscal year 1924-25. No statutory leave. 6½ days sick leave in the fiscal year 1925-26. Eighteen days statutory leave.

7. No.

8. The officer next in rank in the office.

QUESTION PASSED AS ORDER FOR RETURN

CANADIAN GOVERNMENT MERCHANT MARINE

Mr. GRIMMER:

1. Was the Canadian Government Merchant Marine ship Canadian Navigator burned at Barbadoes in or about the month of January, 1925?
2. If so, what insurance was carried on the said ship?
3. Was any inquiry held in Canada respecting the loss of the said ship and if not, why not?
4. What cargo was the Canadian Navigator carrying at the time of her destruction?
5. If the cargo was of an inflammable character are the Canadian Government Merchant Marine still carrying cargoes of inflammable goods, and if so, are such ships insured?
6. What reduction of wages, if any, have been made since 1922 with regard to, (a) officers, (b) engineers, (c) crews of ships in the Canadian Government Merchant Marine sailing from Atlantic ports?
7. What reduction, if any, in wages since 1922 has been made with respect to the same classes of ships sailing out of Pacific ports?
8. What reductions or increases have been made in the salaries of the general manager, the assistant General Manager, the general superintendent, the marine superintendent and the assistant marine superintendent during the same period?
9. What new offices have been created during the same period in the Canadian Government Merchant Marine?
10. Is it true that two new assistants have been appointed to the general manager?
11. What reduction in the number of able seamen has been made on the 8,000-ton class of ships since 1922?
12. What is the system of promotion in vogue on board the Canadian Government Merchant Marine ships?
13. Is the promotion by seniority or pull with the management?
14. Was the ship Canadian Ranger stranded in the St. Lawrence river in the summer of 1924?
15. If so, was any inquiry held into such stranding and when and where and by whom was such inquiry made?
16. Why was Captain Gowdy promoted to the position of marine superintendent over Captain Monk who had been in the service as assistant marine superintendent for several years?
17. What were Captain Gowdy's qualifications for promotion over the heads of many of his seniors in the service?
18. Was Captain Smeltzer of the ship Canadian Runner dismissed from the service in or about the month of July, 1923?
19. If so, what were the reasons for his dismissal?
20. If so, what the reasons for his reinstatement in or about the month of January, 1924?
21. What was the cost of (a) temporary, (b) permanent, repairs to the ship Canadian Ranger due to the stranding of the said ship in the St. Lawrence river in the summer of 1924?
22. Was this damage covered by insurance?
23. What is the average cost per annum of operation of ships of the 8,000-ton class in the Canadian Government Merchant Marine?

UNOPPOSED MOTIONS FOR PAPERS

ELECTRIC MACHINERY COMPANY

Mr. MACLEAN (York) (for Mr. Foster):

For a copy of all correspondence, letters, telegrams, affidavits, reports, communications and documents of all kinds between the Electric Machinery Manufacturing Company, of Minneapolis, Minnesota, and the Honourable the Secretary of State or any officer of the Department of the Secretary of State or any other departments of the government or any officers of any other departments of the government between the 11th of November, 1919, and the present time, regarding the incorporation of the Electric Machinery Company, Limited, and the suggested change of name of that company to the H. G. Stewart Machinery Company, Limited.

Mr. WHITE (Mount Royal) (for Mr. Foster):

For a copy of all correspondence, letters, telegrams, affidavits, reports, communications and documents of all kinds passing between E. W. Bachus and Bachus-Brooks Company and the Honourable the Secretary of State or any officer of the Department of the Secretary of State or any other departments of the government or any officers of any other departments of the government between the 11th of November, 1919, and the present time, regarding a change of name from the Electric Machinery Company, Limited, to the H. G. Stewart Machinery Company, Limited.

Mr. WHITE (Mount Royal) (for Mr. Foster):

For a copy of all correspondence, letters, telegrams, affidavits, reports, communications and documents of all kinds passing between Canadian Minneapolis Electric Company, Limited (subsidiary of Electric Machinery Manufacturing Company, Minneapolis), and the Honourable the Secretary of State or any officer of the Department of the Secretary of State or any other departments of the government or any officers of any other departments of the government between the 11th of November, 1919, and the present time, regarding a change of name from the Electric Machinery Company, Limited, to the H. G. Stewart Machinery Company, Limited.

Mr. WHITE (Mount Royal) (for Mr. Foster):

For a copy of all correspondence, letters, telegrams, affidavits, reports, communications and documents of all kinds passing between the Canadian Minneapolis Electric Company, Limited, and the Honourable the Secretary of State or any officer of the Department of the Secretary of State or any other departments of the government or any officers of any other departments of the government between the 11th of November, 1919, and the present time, regarding a change of name from the Electric Machinery Company, Limited, to the H. G. Stewart Machinery Company, Limited. Also a return showing the names of all Directors of Canadian Minneapolis Electric Company, Limited.

Mr. WHITE (Mount Royal) (for Mr. Foster):

For a copy of all correspondence, letters, telegrams, affidavits, reports, communications and documents of all kinds passing between Henderson & Herridge, Ottawa, and the Honourable the Secretary of State or any officer of the Department of the Secretary of State or any other departments of the government or any officers of any other departments of the government between the 11th November, 1919, and the present time, regarding the Electric Machinery Company, Limited, and a change of name from the Electric Machinery Company, Limited, to the H. G. Stewart Machinery Company, Limited.

Mr. WHITE (Mount Royal) (for Mr. Foster):

For a copy of all correspondence, letters, telegrams, affidavits, reports, communications and documents of all kinds passing between the Electric Machinery Company, Limited, and the Honourable the Secretary of State or any officer of the Department of the Secretary of State or any other departments of the government or any officers of any other departments of the government between the 11th of November, 1919, and the present time, regarding the incorporation of the Electric Machinery Company, Limited, and a change of name from the Electric Machinery Company, Limited, to the H. G. Stewart Machinery Company, Limited.

CANADIAN GOVERNMENT MERCHANT MARINE —SALE OF SHIPS

Mr. DOUCET:

For a copy of all telegrams, letters, and other documents passing between L. J. Camsusa, Wm. Duff, M.P., G. A. Wooten and the Minister of Marine and/or the Minister of Justice and/or the Prime Minister and/or any other minister of the crown, and having reference to negotiations or conferences regarding the purchase of certain ships of the Canadian Government Merchant Marine, and having reference to the case of Rex vs Camsusa, and having reference to the case of Fong Quing vs Camsusa, together with all records of conferences or any other documents or papers relative thereto.

UNEMPLOYMENT RELIEF

Mr. STANSELL (for Mr. Church):

For a copy of all correspondence, letters, telegrams, orders in council and all other data between the Government of Canada, the provinces and the municipalities regarding the question of unemployment and unemployment relief during the years 1925 and 1926.

POSTMISTRESS AT RIGAUD

Mr. DOUCET:

For a copy of all correspondence exchanged between the Post Office Department and the Civil Service Commission and others, relative to the appointment of Mrs. Georges Seguin, as postmistress at Rigaud, Vaudreuil-Soulanges county, Quebec.

POSTMASTER AT LITTLE CASCAPEDIA

Mr. DOUCET:

For a copy of all correspondence, telegrams and other documents, relating to the dismissal of Pierre Poirier from the postmastership of Little Cascapedia, Bonaventure county, Quebec, together with a copy of the evidence taken of the inquiry held and also the report of the investigator in such inquiry.

EXPENSE ACCOUNT OF T. W. FULLER

Mr. COTNAM:

For a return showing a statement of the expense accounts of Mr. R. C. Wright, chief architect, and Mr. T. W. Fuller, assistant chief architect, Department of Public Works, for the fiscal years 1918-1919, 1919-1920, 1920-1921, 1921-1922, 1922-1923, 1923-1924 and 1924-1925.

CONSTRUCTION OF LACHINE CANAL SUBWAY

On the motion of Mr. Guerin:

For a copy of all correspondence, letters and telegrams between the Minister of Railways and Canals, the Minister of Public Works and the Minister of Marine and Fisheries or any officer of those departments and public bodies or private individuals of Montreal or other parts of Canada in connection with the construction of a subway under Lachine canal in St. Ann's division, city of Montreal.

Mr. SPEAKER: I am informed that the mover of this motion would like to have it transferred to debatable motions; therefore, it will stand.

Motion stands.

CANADIAN GOVERNMENT MERCHANT MARINE

RATES ON LIVE STOCK SHIPPED TO GREAT BRITAIN

Mr. H. A. MULLINS (Marquette) moved:

That, in the opinion of this House, the Canadian Government Merchant Marine should withdraw at once from the North Atlantic Conference and should be operated independently of any association, conference or combine of steamship lines with the sole object of conferring the greatest possible advantage upon the Canadian producer.

He said: In the investigation before the committee on Ocean Freight Rates, evidence was given to show that the Canadian Government Merchant Marine were in the combine, and were operating in the combine the same as other lines of steamships. I do not know whether the Canadian Government Merchant Marine is still in the combine and I would like the hon. Minister of Agriculture (Mr. Motherwell) to let us know, because he has stated in interviews on many occasions in western Canada that it was the intention of the government to obtain a reduction of freight rates on the ocean liners. So far nothing has been done. The rate remains at $20, which is too excessive altogether to promote one of the basic industries of western Canada, the live stock industry.

The sale of the boats of the merchant marine leaves a doubt in the minds of the people out west as to whether we are going to get any redress in the matter of rates at the hands of this government. A private line has been established in the city of Toronto, called the Live Stock Producers' Line, which runs four boats which have been refitted for the cattle trade, and with excellent results. The people in the west are wondering why the boats of

the government merchant marine are not also refitted for the shipment of cattle to help solve this question of high freight rates. There are twenty-four boats of 8,000 tons each in the Canadian Government Merchant Marine which with a little refitting would be admirably suited for the trade, and these ships could be refitted just as easily as the four boats that are being run by the private line in Toronto that I mentioned a moment ago. We in western Canada who are interested in the live stock industry cannot understand why this has not been done; we cannot understand why the government has not taken some action to bring about a lowering of freight rates for this basic industry in the west.

I would not advise the sale of these government ships. I think it is a mistake to sell them at the ridiculously low figures at which they are being disposed of to-day. Six of them have been sold to the government's own friends in Midland, to Playfair's, at $40,000, and two to another gentleman in Winnipeg, at $50,000. Now in view of the completion of the Hudson Bay railway, and the necessity there will be for ships to sail into the Hudson bay ports, I think it is a mistake for the government to sacrifice the merchant marine boats at the figures at which they have been disposing of them recently.

I would ask the Minister of Agriculture what he is doing to solve this question of high freight rates on our cattle going overseas. The cattle raisers in western Canada are getting discouraged and uneasy because of the excessive charges that are against the live stock trade. Not long ago, owing to very bad weather, one of the ships, loaded with cattle drifted down to the Azores, and they are taking advantage of that circumstance in England claiming there was a heavy loss of cattle on that ship, some one hundred and forty or one hundred and fifty head. Enemies of our live stock trade in Great Britain are trying to make capital out of that circumstance, saying that it is cruel to the animals, their object being to shut Canada out of the British Isles. It would be a very serious thing for Canada if she was shut out of the British market, because there we have one of the finest markets for our cattle we could have anywhere, if the government would only do something on behalf of this industry which is of so much importance to eastern and western Canada. The people of the west are discouraged at the inaction of the government, and are uneasy at the continual promises of the government, and particularly of the Minister of Agriculture, to bring forward some plan for helping the industry, but actually taking no action at all. The live stock industry and those interested in the trade have asked me to bring this matter up as strongly as I can, with a view to helping the trade and seeing if something cannot be done to bring into use these twenty-four ships, of 8,000 tons each, of the Canadian Government Merchant Marine which, with a little refitting, would be admirably suited for carrying our cattle.

The Minister of Agriculture said the other day that I had bamboozled the electors of Manitoba, that I went up and down my constituency talking cattle, and did not talk about other important matters, such as the tariff. He is mistaken, Sir. There were many other important subjects taken up from my platform during the campaign. The transportation question, for instance, was taken up very strongly. Sir the transportation of live stock is a vital question to western Canada, and if something is not done by the gentlemen who to-day occupy the government seats in this House to help that industry, it will dwindle into insignificance, because of the excessive charges that are heaped up against it. It is a very important industry in Canada, one of our basic industries, and it should receive encouragement, more encouragement than it has received at the hands of the government.

It is sometimes said that the boats of the government merchant marine are no good. The Minister of Agriculture in different interviews has said that these boats are no use. I take exception to that statement. The boats of the government merchant marine that I have shipped cattle on have carried the cattle over splendidly. They are good boats, and only need a little reconstruction to enable them to carry much larger numbers of cattle. The boats that have been reconstructed by the Live Stock Producers Line of the city of Toronto—the S.S. Ontario, the S.S. Manitoba, the S.S. Saskatchewan and the S.S. Alberta—the former in spite of heavy storms carried about 1,100 cattle with a very small loss, about ten or twelve cattle, with a very small shrinkage indeed. The man who was handling the shipment on Manchester Importer showed me a cable that he had received on Saturday saying that the balance of the cattle had all been landed and arrived in splendid condition in spite of the heavy weather they had encountered.

I repeat, Mr. Speaker, that the twenty-four boats of the Canadian Government Merchant Marine should be reconstructed and placed at the service of the cattle trade of this country in order to give it the encouragement it needs, for I want to tell the Minister of Agriculture that western Canada lands will run to weeds if the live stock trade does not get more consideration in the future than it has had in the past. Travel through that country and you will find many men who have gone out of the live stock business, and it is because of the excessive charges that have been placed against it. I have been engaged in the cattle trade, Mr. Speaker, for a great many years, but I am not talking from any personal standpoint, because I have retired from the export cattle trade. I have been charged with speaking on this question from the point of view of my own personal interest, but that is not true, because I am not going back into the export cattle trade, in which I have already spent forty years; but I am ready to give the minister the benefit of the advice I have gained in my forty years experience and to help him solve this question of high freight rates, so as to encourage the production of live stock in western Canada. The live stock trade is important to any country. Wherever you find feeders of live stock, there you find a prosperous country. I might take you, for instance, to Scotland, or to the United States, where they are clamouring for our cattle, and would like the market opened. I do not care about seeing our young cattle go to the United States, but I do not mind getting an open market in the United States for the heavier class of our cattle, and when we can produce cattle in this country like we can in the west, I want to see this basic industry of ours fostered and helped to prosper, and to bring back the conditions in the west that ought to prevail once more. We have a fertile land, Mr. Speaker. Take the live stock off the farm, and you have a poor farm. I want to see diversified farming in this country. I want to see some value placed upon the cow. In Ireland they value the cow. They made her the guest of honour at a banquet in Ireland, but we have not placed full value on her in this country. To-day Great Britain is clamouring for the entrance of our Canadian cattle, to augment the food supply of the British Isles with the milk from our cattle. Very little work on our part with the British government could secure the entry of the Canadian cow into the British Isles. Imagine dairy cows selling for between £30 and £40 in England, while they are sacrificed in our markets at $30 or $40. These are the conditions against which the men in western Canada must contend, and I would urge upon the Minister of Agriculture to take the matter up with Lord Bledisloe the British Minister of Agriculture in the House of Lords with a view to having some action taken to remedy the present state of affairs. I know from my experience in the Old Country last winter that very little work on the part of the government there would get our Canadian cows into the United Kingdom. Ireland has a monopoly of the cattle industry in the matter of females. The little Kerry cow fetches from £30 to £40 in the Old Land while our Canadian animal is sacrificed at a ridiculously low figure. Before September, 1892, when that stigma was placed upon our cattle, eastern Canada and the three prairie provinces enjoyed a wonderful trade in the dairy cattle. We raised females for dairy purposes with an eminent degree of success. The herds in England in many localities are depleted as a result of the ravages of foot and mouth disease which is rampant throughout the country. In Cheshire, for example, where this disease has been particularly severe, practically the entire herds of the district have been wiped out. So that we could very well secure a lucrative trade in supplying dairy cattle to the Old Country. At the present time meetings are being held in Scotland by various agricultural societies, but I have so far been unable to see a single thing done by this government to look after our interests in this matter. Hon. gentlemen on the other side apparently are not bestirring themselves to get our Canadian cow into the British Isles.

The value of the cow has not been recognized as it should be. We do not seem to appreciate all that the cow has meant to Canada; she has played a wonderful part in Canadian history. I can assure you, Mr. Speaker, that Wall Street recognizes to the full the value of the cow; it appreciates what that animal has done for the great United States. Yes, the cow is the mother of prosperity. I do not want my legal friends to become impatient of this eulogy of the cow. They may not know it, but one of these animals was placed in Central park, New York, on one occasion to teach the people in that great metropolis the obvious fact as to where milk came from, for some of them had the idea that it was obtained from a can and not from a cow. I do want the Minister of Agriculture to think a little more of the cow, and I appeal to him strongly to do something in the interests of the cattle industry in the west.

Hon. CHARLES A. DUNNING (Minister of Railways and Canals): My contribution to the resolution will be brief, and necessarily so. I waited with some interest to hear my hon. friend (Mr. Mullins) who introduced the resolution say something in support of it, and I am still waiting. I do not believe that the hon. gentleman mentioned the resolution at all. It reads:

> That in the opinion of this House, the Canadian Government Merchant Marine should withdraw at once from the North Atlantic conference and should be operated independently of any association, conference or combine of steamship lines with the sole object of conferring the greatest possible advantage upon the Canadian producer.

The hon. member did not discuss this resolution at all. Perhaps he is aware now that there is no point in it for the reason that it is more than one year late: the Canadian Government Merchant Marine withdrew from the conference in February, 1925. There is, therefore, no object whatever in pressing this resolution upon the House at this stage. I do not think I need say more.

Mr. MEIGHEN: May I ask the minister a question? Do they not at the present time charge the same rates as the conference fixes?

Mr. DUNNING: So far as I am aware, that has nothing to do with the resolution. I am not in a position to answer the question just now, but I should be glad to get the information for my hon. friend. The point of the resolution is whether the Canadian Government Merchant Marine is a member of the conference. The answer is it withdrew in February, 1925, and is not now associated with any body of steamship owners. As to rates, I shall be glad to get the information for my hon. friend.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): The new Minister of Railways (Mr. Dunning) has summarily dismissed the resolution and seems to assume that the House will be satisfied with his assurance that the Canadian Government Merchant Marine withdrew from the conference in February, 1925. The House, however, will put a question mark after the word "withdrew," having some doubt as to what its meaning is. The government has evidently a dictionary of its own and applies such meanings as may suit the occasion. It is true that in the debate of last year on the Petersen contract, and as well in the evidence given before the committee, assertions were then made that the Canadian merchant marine had formally withdrawn. Some of the evidence, however, went to show that while they had formally withdrawn they still sat in, whatever may be the government's dictionary meaning of that term. They "sat in" while not being members and, I presume, not voting. They sat in and took such part as the sitter-in is entitled to, whatever that may be. But the more important fact, indeed, the only fact that is of any consequence at all, is the question of rates. If the rates are the rates dictated by the conference, it will not make any difference to the people of Canada whether they are members of the conference or sitters-in or sitters-out of it. If they follow the rates the conference fixes, then it is equally the same to the pocket of the shipper whether they are inside in the ring or outside in the vestibule. The minister comes into the House supposed to be in a position to discuss the resolution, and he does not know yet whether or not the merchant marine, which this government owns and which it is operating through a directorate, actually obeys the dictates of the conference. This is a matter of indifference to him so long as it formally asserts its nominal independence, or at least proclaims itself not a member in full standing of the conference, paying the fees. Now,—

Mr. DUNNING: Will the right hon. gentleman permit me? I am in a position to state absolutely that the Canadian Government Merchant Marine does not obey the dictates of any conference. My hon. friend is attributing to me statements I did not make.

Mr. MEIGHEN: I attributed to the minister the effect of a statement he made before, which was that he did not know whether they followed the rates fixed by the conference or not.

Mr. DUNNING: No; I must again object. I made no such statement. I said that I could not inform my hon. friend as to the rates charged. I did not say that I did not know whether or not they followed the conference rates.

Mr. MEIGHEN: The minister will have some difficulty in confirming his present impression from the notes of Hansard. I did not ask him if he knew the rates: I would not expect him to carry the rates in his mind. I asked whether it was not a fact that the government merchant marine followed the rates of the conference, and I got in reply the statement that he did not know, but that he would look it up. The necessities of the case, however, seem to warrant the minister in revising that answer. He is at liberty to revise it, but not to tell me that he did not make it.

Mr. DUNNING: I have not revised my answer. At least I understood my right hon. friend to ask me if the rates charged by the government merchant marine were the same as those charged by the conference.

Mr. MEIGHEN: Yes.

Mr. DUNNING: That is entirely a different question from the one he now puts into my mouth. He asks me now if the government merchant marine charges the rates set by the conference, implying in his twisting of words—at which he is of course a master, and I defer to him in that regard—something that I did not say. In his twisting of words he is now distorting his question to make my answer mean what I did not intend it to mean at all. I did not intend it to mean that the merchant marine is in any sense controlled or directed by any north Atlantic conference. Whether or not its rates are similar to those charged by the conference I am not in a position to say, but I am able to say that they are not dictated by the conference. Now is that clear?

Mr. MEIGHEN: Yes, it is just as clear as the difference between tweedledum and tweedledee. The minister follows the well-known habit of those who find themselves in a tight corner of their own creation, of attributing to the other side who points it out a splitting of hairs and a trading on words. I wonder who the trader on words is. Is it not he who says that the board may follow the rates or adopt the same rates as the conference, but that that is a very different thing from saying that they adopt the rates set by the conference? This is the distinction drawn by the minister who attributes to me hair-splitting. I am not endeavouring to split hairs. It is not the minister's hairs that are in danger at all; it is his head I am trying to enter. If the rates are the rates the conference sets, then I repeat it makes not one whit of difference whether the board is a member of the conference or not. I am not particular whether the rates are followed because of dictation or because of affiliation or because of affection or because of admiration; the reason is not material to the pocketbook of the producer. What we want to know is: Are they not the same rates? The evidence before the committee last year showed that the so-called divorcement meant nothing whatever because the rates then were the same as the rates had been before. So we are in the position of being asked by the government to close this debate without a particle of information as to whether the position is changed, as to whether or not the absolution granted the mercantile marine by the conference was of any set or practical value. We are asked simply to take the assurance of the minister that the Canadian Government Merchant Marine is not a member of the conference, and that if they follow the rates which the conference sets they do not do it because they have to, but because they like to.

Mr. SPEAKER: The reply of the hon. member for Marquette will close the debate.

Hon. J. A. ROBB (Minister of Finance): Before the hon. member for Marquette closes the debate I should like to say a word. My right hon. friend (Mr. Meighen) appears to blame this government because of the operation of the Canadian Government Merchant Marine.

Mr. MEIGHEN: Never at all.

Mr. ROBB: It was a baby that we found on our doorstep when we came into office. We do know that upon the first inquiry we made it was discovered that the Canadian Government Merchant Marine was working in co-operation with the North Atlantic Conference, and objection was taken to this state of affairs. I do not say that the government merchant marine became members of the conference when my right hon. friend was Prime Minister, but I do say we were surprised to find this to be the case after coming into office.

Mr. MEIGHEN: Surprised?

Mr. ROBB: In 1923 or about that time.

Mr. MEIGHEN: No, it came out in this House over and over again and the government knew all about it.

Mr. ROBB: And they were in the combine when we assumed office.

Mr. MEIGHEN: Certainly, and for two years afterwards.

Mr. ROBB: Very well, we have the admission of my right hon. friend that they were in the combine when we assumed office. We know they withdrew from the conference in February 1925. We also know that the members of the north Atlantic conference are not trying to help the Canadian Government Merchant Marine business. I have here a letter, received no later than this morning, complaining that the Canadian merchant marine have two vessels leaving a Canadian port with cargo on the same dates as those selected for some of the vessels that are in the conference. They would like us to withdraw from that

4 p.m.

business. But as the Minister of Railways (Mr. Dunning) has just said, we are not under any obligation to the conference, we are no longer members of it. These boats are running in the interests of the Canadian people and their earnings are gradually improving the position of the Canadian Government Merchant Marine.

Mr. MEIGHEN: Does the government intend to build more ships?

Mr. ROBB: What has that to do with the resolution?

Mr. MEIGHEN: I thought if the government was going to add to the size of the baby it would not be complaining about finding it on the doorstep.

Mr. ROBERT FORKE (Brandon): Mr. Speaker, I have listened with some interest to the fine distinctions drawn by hon. members on both sides of the House with regard to the rates now being charged by the Canadian Government Merchant Marine.

Mr. MEIGHEN: Will the hon. member tell me what distinction he heard me draw?

Mr. FORKE: I do not think any of the hon. gentlemen knew what rates were being charged at the present time anyway, so we did not get from them any information on the subject. My hon. friend from Marquette says he is very much in love with the cow. Well, I do not blame him at all. I am in love with the cow myself—so long as I can get somebody else to milk her. But the hon. member never gets on his feet without making slighting references to the people of the west who grow wheat. Now, I think he is making a mistake in adopting this attitude. I agree with every word he says in regard to mixed farming and the raising of as many beef and dairy cattle as possible, but I would remind him that for a great many years to come wheat will be the staple production of the three prairie provinces. It is wheat that is going to help pay the national debt, and we must not forget that. As to doing anything to help mixed farming, I am at one with the hon. member for Marquette. He sometimes tells me—I do not think I shall be betraying his confidence when I say this—that although he sits on the Conservative side and I sit on the Progressive side, our ideas are not very far apart after all. I repeat, I am prepared to agree with him that we should encourage mixed farming, but I dissent from his slighting references to the farmers of the west who are raising millions of bushels of wheat, a production that means so much to the Dominion.

Hon. W. R. MOTHERWELL (Minister of Agriculture): Mr. Speaker, I hope my hon. friend from Marquette does not expect me to engage in a discussion on the advantages of diversified farming on a resolution of this kind, and yet I do not want to pass up his appeal to me to say something. Like him, I was keenly interested in the operations of the Canadian Government Merchant Marine, and when this government took office I made some inquiries regarding its relationship with the north Atlantic conference, and also the capacity of the boats to carry cattle, because about that time this government interceded with the home government and eventually succeeded in having the cattle embargo removed.

An hon. MEMBER: What!

Mr. MOTHERWELL: With the aid, of course, of our predecessors, who had been working assiduously along the same line. I communicated with Sir Henry Thornton, who partially converted four boats for the cattle traffic, each accommodating approximately 265 head, or an aggregate capacity of a little less than 1,100 head. Besides providing insufficient accommodation for the traffic, these boats were not very satisfactory in other respects. Therefore Sir Henry thought that this was a sufficient experiment, especially as the results were not too satisfactory from his point of view, and I frankly admit that I did not make any further attempts to convince him of the desirability of converting other boats into cattle boats for the reason that it cost a lot of money to make the conversion, and they were none too satisfactory after they were converted. Further, they did not carry sufficient cattle to take care of the situation. As my hon. friend knows, the Petersen contract came up for consideration last year, and one of the primary objects then was to improve the situation with respect not only to cattle space but cattle rates as well. My hon. friend perhaps heard enough of the discussion to know that not very much encouragement was given to the proposal of the government by the other side of the House.

Mr. MEIGHEN: Hear, hear.

Mr. MOTHERWELL: If I recall the situation, my hon. friend—

Mr. MULLINS: May I ask the minister a question?

Mr. MOTHERWELL: I will be through in a moment. My hon. friend was an important witness at the inquiry in connection with that matter, and I remember that he disagreed very strongly with some of my hon. friends

on the other side of the House. I remember he disagreed with the hon. member for West York (Sir Henry Drayton) as to the best way of shipping live stock. My hon. friend is familiar with all these facts, and I think he was in sympathy with the attempt of the government to do something by means of that contract. He must therefore give us some credit for at least a desire to improve conditions.

My hon. friend asked a question the other day with regard to further attempts by this government, particularly by myself, to increase the space available. I answered him on that occasion, pointing out that one boat known as the Jensen boat, now rechristened the Ontario, held more cattle on its initial trip than those four mercantile marine boats combined. This boat had a most successful trip, probably the most successful of any boat on the Atlantic during those terrible storms. That is as far as we have gone; we cannot do everything at once. We hope to be here for several sessions to clean up a lot of the things which require attention and which we have not yet caught up with. I am sympathetic with the ambitions of the hon. member for Marquette (Mr. Mullins), but Rome was not built in a day, and all these wrongs or grievances cannot be corrected in a day. I think we are headed in the right direction, however, and I enlist the co-operation of the hon. member for Marquette in improving conditions as opportunities present themselves.

Mr. MULLINS: Mr. Speaker, we have had promises, promises and promises, and none of them have been fulfilled. Western Canada and the country as a whole are tired of promises. The hon. gentleman knows the correspondence which has been going on. We want action; we want something done which will give us redress in connection with ocean freight rates. The trade cannot stand a rate of $20 per head.

The hon. member for Brandon (Mr. Forke) stated that I made insurrections at the grain growers of western Canada. I refute that statement. I am upholding the cattle industry; it is the leading industry; it stands out more and is based on sounder principles than are the activities of the man who is just mining the soil, a soil robber is a menace to the western country. If a man is not in mixed farming he is usually a failure. The sowless, cowless, chickenless farmer of the west! I made that statement before in speaking on this subject, and I make it again. A man cannot be successful in western Canada without live stock. If you go back far enough in history you will find that we would have very little of the group system and very few Progressives if it were not for the dissatisfied settler who has been producing weeds on the western prairies. He has become so dissatisfied with raising weeds and mining the soil that he is ready to join any old party at all. They have two or three new parties in the west now, which the government will have to contend with if they hold office. There is a party called the Farmers' Union, and there is still another which I have been invited to join. In time you will have the group system, with no stable government at all.

With all due respect to my hon. friend I have everything in common with the man on the land out west. Politics have never played a part and will never play a part, so far as I am concerned, in matters affecting the interests of the man on the land. I came here with an open mind, ready to support the government in getting a reduction of ocean rates, at the instigation of one of the leaders of the Progressive party, the right bower of the Hon. Mr. Crerar. I refer to Mr. Rice Jones, who requested me to come and give evidence in regard to freight rates. I had some experience in negotiating with the Minister of Agriculture (Mr. Motherwell) in trying to get a reduction in freight rates. I took the Canadian government boat Victor, whose freight rates were supposed to be $25 per space. I took her, it is true, because she was the only boat available out of the port, and I had to go to Dundee. I did not want to go to Dundee, but it was all I could get. I asked the minister if he would get a rate of $20, which the conference and the other regular liners were charging, but it was impossible. I was being charged $25 per space and I was compelled to take the boat, because the cattle were ready on my ranch and I had to ship them to market. The minister wired me and said that on account of going to another port the rate had to be $25. I did not like to crowd the cattle on that ship; they were heavy cattle and I could not put five cattle in four spaces. The capacity of the Victor is 233 spaces, and I was compelled to pay for 270 spaces at $25 per space, which was a gross injustice, for which I was never able to get any redress from the hon. gentleman. I could not do anything. So I was ready to come and support the government in an endeavour to do something in the right direction; I was ready to come to this committee and lend my support to it. But what was the result of that investigation? What did it cost the country? The man behind the investigation was that gentleman who has been in politics since I was a boy in West

Elgin. I remember him—W. T. R. Preston—a good organizer for the Liberal party; one who used to sing hymns on Sunday afternoon and bring in votes on Monday. I object to such men handling the cattle industry, and if that practice is still followed when the Conservative party comes into power I will still object.

Then there was Duncan Marshall; let me refer to him for a moment. He was sent to England to receive the first cargo of cattle going to the British Isles, and what did he and the other gentlemen do? They put a red tape across the gangway, and as the first intelligent Canadian steer saw that tape he nearly knocked Duncan Marshall and the other gentlemen into the Clyde. The cattle should have been allowed to walk off the ship gently, with no red tape in front of the gang plank as a demonstration to the British public of their kindness in removing the embargo. It was a direct insinuation that red tape had kept Canadian cattle out of England for thirty-two years, and in my opinion was a direct insult. Never would a man who understood conditions do a thing like that, but that is what was done, and I say it was an injustice. The government allowed those wild Texas range cattle to go to the Wembley exhibition, which did not permit of the display of true Canadian cattle. Those were not cattle that we raised in western Canada. They were cattle that were brought up from Mexico in the old days of the range and turned loose on our western prairies. They were long horned, range cattle and to represent these as typical of our western cattle was a libel on the undoubtedly fine stock we raise out west. We had the old range days out west, but those days are gone, and we are now raising thoroughly domesticated cattle.

I should like to see the vessels of the Canadian Government Merchant Marine taken out of the steamship combine. They are still charging a $20 rate, and it looks to me as if the officials of the government line still have their feet under the combine table. The present government proposed to give a million and a quarter of the people's money to Sir William Petersen ostensibly to break the steamship combine. What were we to get for that? We were to get a bunch of old hulks belonging to the Thomson line, I think ten in number, vessels not to be compared with the ships of the government merchant marine. I have loaded cattle on the old Thompson line boats in the early days, and they are not ships that are at all fitted for the cattle trade today. What should have been done was to refit the vessels of the merchant marine just as the Livestock Producers, or the Jensen line, have done. By refitting the ships could have been made very comfortable for the carrying of cattle and could have transported from five hundred to six hundred cattle each, and the government could have handled the cattle transportation problem in the most economical way. But instead of that they proposed to pay out the enormous sum I have mentioned. In addition to that they have paid to their agent, W. T. R. Preston, between nine thousand and ten thousand dollars. They also engaged counsel during the cattle inquiry at $200 a day, with a resultant cost to the country for that item alone of $40,000. Then when Sir William Petersen died the government incurred an outlay of $4,000 to send his remains back to England. This will give an idea of the way the government have been spending money, of the way our debt is mounting up. I do not know where the old ship of state is drifting, but if it continues to drift much longer, God help the man who is struggling to make his way out in western Canada.

I make this plea not from any personal motive, but on behalf of those who are engaged in the live stock industry in western Canada. They have large numbers of cattle to move to the Old Country this spring but there seems no chance whatever for them to get ocean space. The old line boats have done good work, but their day is past. These ships are not able to make the trips across now, yet it is most urgent that the cattle men should have ocean tonnage for their live stock. I would suggest to the Minister of Agriculture that he get busy at once. I suggest that he get say ten vessels of the merchant marine and refit them just as the Jensen line did with their boats. I urge the government to do something so as to afford the live stock industry a chance of moving the cattle so badly in need of transportation. I speak feelingly and earnestly on this matter.

The Minister of Agriculture made an allusion to the dead beef industry, but I may say to him that I am not in favour of shipping dead beef to England. I believe the minister tried the experiment of shipping dead beef at one time and experienced a loss of $50 on every carcass that was shipped. I made a shipment of dead beef myself on one occasion, but that was the only time I ever did it. No man who has any understanding of the Canadian cattle industry would ever favour shipping dead beef to England. He might try it once, but never again. On Saturday evening I had dining with me one of the largest stock salesmen in England, who imports considerable quantities of South American meats. He told me that

three and one-half pence a pound was the price at which dead beef sold in England. I asked, "What about the price of Canadian cattle?" He said that the Canadian cattle sold for nine pence a pound. If we can get such a price as that we do not want to go into the lower market. Ireland wants to keep Canada out of the road; she does not want this Dominion to get into the Old Country market. Those who do not understand the trade are the ones who are advocating the shipment of dead meat. Very recently a vessel carrying cattle to the Old Country drifted to the Azores and the opponents of Canada are pointing to the mishaps that they say are likely to occur, as an argument for the keeping of our cattle out of the British market.

I appeal to the Minister of Railways (Mr. Dunning), who comes from a great producing district in the west, to do something in the interest of the cattle trade. He reminded me the other day that he had sold me cattle twenty years ago. I remember when he was up in that country driving oxen. He knows something about the cattle trade, therefore, and I think we can look to him to take measures that will be in the interest of the industry. Hon. gentlemen opposite are in power through the support of our friends the Progressives and our friends the Labour men. I ask them to do something in behalf of the cattle industry, not to expend all their efforts in the interest of the grain industry. I repeat that the Minister of Railways was identified with the cattle industry and with the building up of the west in the old pioneer days. He knows how badly it stands in need of a helping hand and should be prepared to do something for it.

Mr. DUNNING: I should like to sell you a few cattle now if I could.

Mr. MULLINS: I am sorry, but I am not in the business. I got old in the trade, and now I feel that a man is so much handicapped by present conditions that he had better be out of it. I feel satisfied that if hon. gentlemen on this side had the reins of power action would be taken very promptly, and that the cattle industry would be on the way to a stable basis within five months. Holding the views I do I would not sit in this House if some action were not taken to obtain redress for the live stock industry, to build up and protect that industry.

Some hon. MEMBERS: Carried.

Mr. LAPOINTE: Unanimously.

Motion agreed to.

DUTY ON AUTOMOBILES AND MOTOR TRUCKS

SUBSTANTIAL REDUCTION IN TARIFF PROPOSED BY MR. COOTE

Mr. G. G. COOTE (Macleod) moved:

That, in the opinion of this House a substantial reduction should be made in the customs tariff on automobiles and motor trucks.

He said: The subject dealt with in this resolution is one of very great importance to this country. Canada is a land stretching 4,000 miles from east to west. We cover an immense territory. We have a population of nine million odd scattered over this large area. For that reason transportation is one of the greatest questions confronting us to-day. The greatest improvement in transportation facilities since the invention of the steam locomotive is the automobile, both freight and passenger. The greatest competitor that Canada has to-day is the United States. The United States has motor trucks available to her population at two-thirds the price at which they can be purchased by the people in Canada. The United States has one motor car for every six of her population, while Canada has one to every fourteen of her population. On account of our sparse settlement in this country, we really require more motor trucks and automobiles proportionally than the people of the United States. The only reason that I can see why we have only one car to fourteen of our population, and the United States one to every six is that cars are too expensive in this country and the people cannot afford to buy them. The Ford Times a year ago published this statement:

> The development of the automotive industry is only a logical sequence of the demand for transportation facilities, which have always played a major part in opening up a land to its fullest possibilities. With vast unopened areas in our land of huge distances, proper railroad service could not be a paying or a practical proposition. The need for transportation still remains and is of prime importance in changing these waste spaces into productive areas. No country can rise to its full height of importance without adequate transportation.
>
> What is the truth? Let us apply such facts as are available to the solution of this involved problem.
>
> The automobile industry could never have attained its present tremendous totals over a period of 23 years had not its product more than justified itself economically.
>
> Its proper use lengthens life, increases efficiency, stimulates general business and promotes the wealth and stability of the nation.

There we have in a paper published by the largest manufacturers of automobiles in Canada a very good argument as to why automobiles and trucks should be cheaper in this country—because they are so necessary to development and production. Because of the development of our social and economic life, cars to-day

are a necessity for a great many of our people, particularly doctors, preachers, commercial travellers and farmers. It has been estimated that farmers in western Canada, or in Alberta, live on an average ten miles from a railway, and yet only about one-third of them own motor cars. While on a visit to British Columbia last year I noticed that practically all the fruit which was being delivered to packing houses in one of the large fruit centres of British Columbia was being delivered in motor trucks. I did not see one rig drawn by horses These men have to pay practically 50 per cent more for their motor trucks than their competitors to the south of the boundary. In one town in my constituency this fall there were fifty-seven men delivering wheat to the elevator with motor trucks. Some of them were hauling the wheat a distance of twenty-eight miles. There are many others still hauling wheat with horses. I wish hon. members in this House could realize what a boon it would be to these farmers if they could afford to own motor trucks and deliver their wheat with them. It is impossible for a railway company to build railways within ten miles of all our settlers, and any man who has to haul his wheat, his cream and all his produce more than ten miles to market is certainly badly in need of a motor truck. For these and other reasons which I shall enumerate I think it is the duty of the House, without further delay, to see that some reduction is made in the price of motor trucks, so far at least as this can be attained through a reduction of the tariff. Henry Ford was quoted last year in the Ford Times as saying:

> The great trouble with farming is that it involves too much unnecessary work. There is no reason why agriculture may not hope to come abreast of the other industries in the near future, if the farmer will turn his attention to modern industrial methods, instead of to the problem of borrowing money. There is no food scarcity. The problem is not one of how to increase production, and thereby pile up a surplus for speculators to play with, but how to simplify production and distribution so that less human energy shall be wasted in the process.

One of the ways to solve this farm problem is to reduce the price of motor trucks. I have never yet heard any suggestion in this House as to how it could be done unless we reduce the tariff. The low-priced automobile and the motor truck is the greatest boon which has come to farmers since labour-saving machinery was invented. Again I would quote from the Ford Times:

> Autos Reduce The Farm Migration
> Easy to Get to Town Now; Just a Case of Starting the Family Car
>
> The farm telephone, the coming of labour-saving devices and the low-price auto are three of the greatest factors in checking the admittedly large migration from the farm.

[Mr. Coote.]

Probably no mechanical invention has done so much as the low-priced automobile to lessen the monotony of farm life, particularly for people living on the prairies a long distance from the railways, and nothing has done so much to relieve the monotony of life for the farm women. Many of these people, prior to the coming of the automobile, were limited to their own farms. They are too far from town to drive there with a horse and rig. As I said before, approximately one-third of the farmers in Alberta are able to own motor cars, and I think the only reason the other two-thirds do not own them is that they are too dear at the present time. The Ford Times said recently:

> Every sure enough farm needs three automobiles—any farmer with a family will vouch for that and that number is his goal.

Then it goes on to show that he needs a truck, a roadster and a Ford sedan to take him to town in bad weather.

I would be pretty well satisfied, Mr. Speaker, if we had on an average one automobile to each farm, and I should like to say to the editor of the Ford Times that there is only one reason why there are not more automobiles on the farm, that reason being that the Ford Company have kept the price too high. If we reduce the duty the company would have to reduce the price and they would sell more. The Ford Times goes on to point out that only one-third of the farmers of Canada have motor cars. There is another reason why this is a very important question for Canada. We have for the past twenty or twenty-five years been trying to encourage the automobile business in Canada with a protective tariff of 35 per cent. Many other incidentals enter into it with which I shall deal later, and which give it a protection really of about 40 per cent.

Looking over a booklet recently issued by the automotive industries of Canada, I find that from 1904 to 1924 they have manufactured and sold in Canada 793,519 cars. The wholesale value of these cars is $699,237,511. To get the retail value of these cars, we must add to that amount one-third, which would bring the total retail value of these cars to $932,316,681, or an average value, without excise and sales tax, of $1,174. The total extra cost—I am assuming here that these cars were sold to the Canadian public at an advance of 35 per cent over the American price—the total extra cost of these cars to the consumers of Canada was $242,000,000. That means an average increased price to the consumer of these cars in Canada of $305 per car. This price does not take into account sales tax and excise tax.

The Ford Motor Company have estimated the life of a car to be five years. That would mean an extra $60 per year to each of the families owning a car, due to the increase in the sale price which is made possible by the 35 per cent tariff. To this amount would have to be added the increase in the price of tires, accessories and repairs, which I think would average at least $15 a year, or a total extra charge of $75 per car per year due to the cutoms tariff.

This booklet also shows that the total customs duties collected by this government from the manufacturers of parts of all kinds was $43,000,000, so that if that were deducted from the $242,000,000, which I have shown to be the extra cost, we would still have approximately $200,000,000 which it has cost us to establish this industry.

Possibly for the information of the House I should state that the rate of duty on cars and trucks is 35 per cent. The United States has an excise tax of 5 per cent, and any consumer bringing a car into Canada must pay this 5 per cent tax in the United States before he can bring his car in here. Then we have also a sales tax of 5 per cent, plus an excise tax of 5 per cent on the value of the car up to $1,200, and 10 per cent on the value in excess of $1,200. On trucks there is a sales tax of 5 per cent, but no excise tax.

But this is not all the protection they enjoy. On page 15 of the booklet recently issued by the Ford Motor Company it is stated that on a Ford Fordor sedan, imported from the United States and priced at $565, Detroit, you pay sales tax and excise tax when bringing it into Canada of $78.11. If you purchase this car in Canada from the Ford Company it is listed at $755, and you pay sales tax and excise tax amounting to $56.62. There they have an additional protection of $21.49 on the Fordor sedan.

Someone will say: Why single out the automobile industry for a reduction in the tariff when there are many other articles in the tariff on which some of us think the duty should be reduced? The reason I have singled it out, Mr. Speaker, is because the automobile is such an important article to the Canadian people, and because a demand for a reduction in the duty is so general. No matter where you go in Canada, I think you will find an almost unanimous demand from the people that the tariff on automobiles should be reduced. I think I shall be forgiven if I say that Toronto is generally regarded as the home of protection.

Mr. MEIGHEN: One of them.

Mr. COOTE: One of them. At any rate, it is one of the places where they really believe in protection, and in a good share of it. The hon. member for Toronto West Centre (Mr. Hocken) I think is a consistent protectionist. I have an editorial published in his paper, the Orange Sentinel, some time ago. It is headed "Reduce the Duty on Motors and Prosper", and says:

> Whatever may be done with the customs tariff at the next session of parliament,—

I neglected to say that this was published in 1923, so we have missed two opportunities already:

> —there should be a substantial reduction in the duty on motor cars. It is clear from the prices quoted in the United States and Canada that the Canadian manufacturers are charging "all the traffic will stand." The duty of 35 per cent is more than protection; it is in part a government subsidy to the makers of automobiles.

I hope the hon. member for Muskoka (Mr. McGibbon), who objects to government subsidies, will bear that in mind:

> As long as the motor car was purely a luxury that only the rich could enjoy, there was not much reason for complaint. But the motor car has become a necessity in business and professional life, and those who are thus compelled to buy one should not be forced to pay excessive profits to the manufacturers. A certain type of car that sells in the United States at $1,875, costs $3,100 in Canada. That is altogether too wide a spread, and is not warranted by any factor in the trade. The American makers have larger production, it is true, but they pay higher wages, and there is no reason why their raw materials are any cheaper. The makers of motor cars in Canada are soaking the public unduly, and it is the duty of the government to lower the tariff, and in that way inject a little competition of American firms that will bring down the prices.

Mr. GARLAND (Bow River): Was all that in the Orange Sentinel?

Mr. COOTE: That was all in the Orange Sentinel, and surely, coming from that paper, it is sufficient justification for the government to reduce this tariff without any further argument.

As a further indication of the feeling in Toronto, I would like to draw the attention of the House to a news item appearing in a Toronto paper of January 30th, reporting the annual meeting of the Toronto Local Council of Women, and we should not forget that the women now have votes. It says:

> Buy cars in the United States. Be patriotic. Then the Dominion, not the makers, would get the duty.

It goes on to say:

> You can buy Canadian made cars cheaper in England and Australia than you can here.

I shall not weary the House with reading the whole report, but might quote this:

The Ontario farmer, if he were a patriot, would buy his car on the other side of the Detroit river and pay the tax to the customs collector on his way home, thus contributing to his country's treasury and not to the personal fortunes of Mr. Henry Ford and his son.

Then the report goes on to quote some of the dividends the Ford Company have been able to pay because of the privilege they have enjoyed of charging us 35 per cent more for cars on this side of the river.

Public opinion can sometimes be judged by the attitude of the press, but in this particular case I think the press would really like to advocate a reduction in the duty on automobiles in much stronger terms than they have done, but the automobile industry is furnishing a large amount of the advertising which these papers enjoy, and I think the newspapers have to go pretty easy on this question of reducing the duty on automobiles, or they may lose some of their advertising. But almost every editor with whom I have ever spoken is very anxious to be able to buy a motor car cheaper than he is able to do at the present time. In my speech in this House a year ago I showed that on ten different makes of cars manufactured both in Canada and in the United States the Canadian price f.o.b. factory, without any sales or excise tax, was from 38 to 41 per cent higher than the price charged across the line. That statement has never been challenged so far as I know. I do not think it is necessary to repeat that list, but I will give you the prices obtaining to-day on two of the best known makes of cars manufactured on both sides of the line, and I think it will prove that the extra price charged is equivalent to the duty. These two cars are the Ford and the Dodge. The Ford runabout is $290 at Detroit, and $410 at Ford, Ontario, or a difference of 41 per cent. It is true that in a booklet issued by the Ford Company this runabout is quoted at $310 in Detroit, but I have an advertisement published by that company in the Detroit News of February 21, 1926, giving the price of the runabout at $290 and of the touring car at $310. The mistake, therefore, if there is a mistake, is on the part of the Ford Company in Canada.

An hon. MEMBER: It is a difference of equipment.

Mr. COOTE: You will not find much equipment on a Canadian runabout or touring car of the Ford make. As a matter of fact I do not know what you could safely eliminate if you want to run the car. The runabout at Detroit is $290 as against $410 at Ford, Ontario, a difference of 41 per cent. The list is as follows:

Ford	Detroit	Ford, Ontario	Increase Per cent
Touring car	$310	$440	42
Coupe..	500	665	33
Tudor sedan.	520	695	34
Fordor sedan.	565	755	34

Dodge	Price in United States	Price in Canada	Increase Per cent
Touring car	$795	$1,095	38
Roadster	795	1,095	38
Coupe..	845	1,170	38
De Luxe sedan.. ..	1,075	1,485	38

Just note how closely these prices keep to the line of the tariff. The Canadian manufacturer is taking practically full advantage of this tariff and is pushing the price up to the limit. We pay in Canada to-day the United States price plus the tariff, but if you buy a car in Canada the tariff goes to the manufacturer and he puts it into his pocket. Of the capital engaged in this industry 80 per cent is said to be owned outside Canada, practically all in the United States. This seems to me to be a tariff levied on the Canadian people for the benefit of the American stockholders rather than of Canadian industry.

Canada established a national policy about fifty years ago for the purpose of affording protection to infant industries, the idea being that when an industry had grown up the protection which it had enjoyed should be lowered. This is brought out very well, in better words than I could use, in a speech delivered in 1911 by the right hon. gentleman who at present leads the opposition in this House (Mr. Meighen). The right hon. gentleman contended that the tariff should be lowered when the industry had grown to such proportions that it had a reasonable hold on the home market and was able to export its product in competition with the products of other countries. I will quote one paragraph from his remarks on that occasion:

But the charge I have to make, and which I hope to bring home to the government this afternoon, is not that one, though it is the most serious; it is this, that in their attempts to continue the national policy which had obtained for years before, they have overlooked, they have neglected one essential feature of that policy: they have quite forgotten its guiding principle, namely, the principle that as our industrial institutions advanced in strength and as they were able with every advance to acquire a hold on the home market, the import duties were to be diminished and adjusted in order to meet the evolving and changing conditions. It is that restraining guiding principle which I claim this government has entirely overlooked—

I think that charge can be made against the Liberal government in power to-day.

—and as a consequence they have allowed, in the respect which I am discussing this afternoon, protection to run rampant—

That certainly applies to automobiles.

—and they have for reasons that are only too obvious, become the slaves of those who helped them into power and who now maintain them there behind ramparts of gold.

That charge might have been true in the last parliament, but we see very few representatives here this year sitting on the government side, returned from automobile constituencies. I could quote further from the remarks of the right hon. gentleman, elaborating that principle and proving by the speeches of protectionist ministers of finance in the past that this was the policy, namely, that as an industry advanced and grew stronger, demonstrating its ability to supply the home market and, as well, to compete in foreign markets, the duty should be lowered.

In a booklet recently issued by the automobile men themselves it was stated that automotive products exported from Canada are fourth on the list in value of all commodities. Surely this is an indication that the tariff might be lowered. I dealt at some length with the question of exports last year, and perhaps I might quote a paragraph from the remarks I made on that occasion regarding the ability of our automobile manufacturers to export their product. This is taken from the Ford Times:

For the calendar year 1923 statistics show that there were manufactured in Canada 147,582 motor cars and trucks. Of these, 69,920 were exported and 77,662 were consumed in Canada. That is, our exports were 47 per cent of the total output of our Canadian factories.

The value of automobile imports for 1924 was $11,-443,158, the value of our automobile exports was $33,828,692, or approximately three times the value of our imports.

We exported those cars to 97 different countries. I will not take the time of the House to read the list, but we sent the United Kingdom over $5,000,000 worth, to South Africa $2,480,000, to British India, $2,043,000, to Australia, $6,115,000, to New Zealand, $4,680,000, to the Argentine Republic, $1,413,000 and so on.

I presume someone may say that these exports went largely to Great Britain and her colonies where our manufacturers enjoy some preference. That is partly true but I would point out that we exported to Great Britain $5,575,000 worth, although the preference our manufacturers enjoyed there at that time was only 11 per cent. Now, if they could do that large amount of business in a market where they had an advantage over their American competitor of only 11 per cent, why do they need 35 per cent protection right here in Canada? Of course, it will be argued that it is good policy for us to encourage our automobile industry so that there may be an exportable surplus. That argument I do not question if the encouragement given to the industry does not cost us too much. What I should like to suggest to our automobile manufacturers is that if the cars they are exporting were made available to Canadians at the United States prices, I think they could sell every one of those exported cars right here in Canada. Canada needs these automobiles, but she cannot afford to buy them.

One other thing which must be taken into account when we are considering a reduction of the tariff duty is the financial condition of the industry. As an indication of that condition, I may be permitted to quote to the House from a clipping from the Financial Post of February 12, 1926, dealing with the last annual statement of the Ford Motor Company of Canada. This is the quotation:

The Ford Motor Company of Canada was incorporated in Ontario in 1904, and re-incorporated with a Dominion charter in 1911. It has the exclusive manufacturing and selling rights on the Ford automobile, the Ford truck and Fordson tractor throughout the British Empire, with the exception of Great Britain and Ireland. Its field of activities includes Canada, New Zealand, Australia, India, British South Africa, and so on. Originally in consideration of $63,500 stock given to the Ford Motor Company of Detroit, the Detroit company agreed to extend to the Canadian company the privilege of using all the devices and improvements of the American company's car without further cost. The capital stock, which amounted to $125,000 in 1905—half of which went to the Detroit company—has by the distribution of bonuses to shareholders been increased to $7,000,000.

I want the House to note that all of this capital stock has come out of earnings, with the exception of the first $125,000.

Shares have a present market value of about $500, representing a stock valuation of $35,000,000. The company has in twenty years distributed to shareholders in cash and stock dividends a total of $20,176,238; this in addition to the stock issued as dividends now having a market value around $35,000,000. In other words, an original stock holding of $100 has paid about $11,000 in cash dividends and in addition stock bonuses with a market value to-day of approximately $24,000 or a total of approximately $35,000 on the original $100.

The assets of the company as shown by the last balance sheet, total $41,419,335, of which $22,093,614 is represented by fixed assets—plant, equipment, etc.—stock in affiliated companies $5,866,998, and cash in government bonds $6,525,615. Profits for the year ending July 31, amounted to $6,132,327. Net earnings on the paid-up capital were approximately 87.5 per cent. The year's output was 70,816 cars and 4,543 tractors.

With the permission of the House I will place the rest of the statement on Hansard, unless any hon. member would like me to read it.

The continuation of the statement is as follows:

Capitalization—

	Authorized	Outstanding
Common..	$10,000,000	$7,000,000

Par value, $100.

Funded Debt—
None.

Dividend Record—
Dividends have been paid as follows: 1905, 6 per cent; 1908, 10 per cent; 1909, 25 per cent; 1910, 100 per cent; 1911, 100 per cent and 500 per cent in stock; 1912, 20 per cent and 33⅓ per cent in stock; 1914 10 per cent; 1915, 110 per cent; 1916, 600 per cent in stock; 1917, 5 per cent; 1918, 5 per cent; 1919, 35 per cent; 1920, 15 per cent; 1921 and 1922, 30 per cent; 1923, 15 per cent; 1924, 10 per cent; 1925, 20 per cent.

Officers and Directors—
Henry Ford, pres.; Edsel B. Ford, 2nd vice-pres.; W. R. Campbell, 1st vice-pres.; Geo. E. Dickert, 3rd vice-pres.; E. C. Kanzler, P. W. Grandjean, sec. and asst. treas.

Profit and Loss—

Year end July 31	1925	1924
*Gross profits..	$ 6,132,327	$ 3,719,188
Income tax adjust..	975	3,497
Net profits..	$ 6,131,352	$ 3,715,691
Bal. forward..	19,609,861	16,594,170
	$25,741,213	$20,309,861
Dividends..	1,400,000	700,000
	$24,341,213	$19,609,861
Contingency res..	340,000	.....
Surplus..	$ 24,001,213	$19,609,861
Earning rate..	82.73%	53.07%

*After all expenses, including depreciation and taxes.

Market Record—

	1923		1924		1925	
	H	L	H	L	H	L
Stock	480	400	485	440	512	488

Let me draw the attention of hon. members to the fact that in 1924 the company had a net profit, after paying taxes and all other expenses, of $3,715,691, and that in 1925 the net profit was $6,131,352. It is significant how enormously the profit for 1925 has increased over that for 1924.

In view of the strong position of this company, I should like to ask the House whether it can any longer be considered an infant. Is it the spirit of the National Policy that when an industry has grown, out of earnings, to the position now occupied by this company that it is still to be protected to the extent of 35 per cent, when those engaged in the industry are taking advantage of the tariff practically to the last one per cent? Are our people to understand that that is what was contemplated by the framers of the National Policy? I have always understood that the prime reason underlying the adoption of the National Policy was to establish industries in this country on such a footing that they would be able to pay a living wage to those engaged in them. Measured by this standard, is the present tariff on automobiles higher than is necessary? For 1924 the total salaries and wages paid by the automobile industry was $14,219,137, and the value of their production, $88,000,000. Wages and salaries were therefore 16.1 per cent of the value of the production. The protection enjoyed is 35 per cent, and the increase in price over the United States price is also 35 per cent. In other words, the increased price which our automobile manufacturers exact from the Canadian people because of the tariff is twice the total salaries and wages paid by the industry.

5 p.m.

Mr. CAHAN: Does that include the wages paid by companies making parts which are sold to the Ford and other automobile companies?

Mr. COOTE: These figures are from the Bureau of Statistics, and I take it they represent the wages paid in the automobile factories, although the report does not state this definitely. But whether that is the case or not, the wholesale value of the cars manufactured in 1924 was $88,000,000, of which cars to the value of $31,000,000 were exported, leaving $57,000,000 worth to be consumed in Canada. To these figures we would have to add one-third to get the retail price. This is shown clearly in the Ford Company's booklet at page 15, where the retail price of a touring car is quoted at $440. The sales and excise tax, which is 10 per cent, is put at $33. Clearly, then, the wholesale price is $330. So we must add one-third to these wholesale figures of production in order to get the retail worth. Adding this one-third we get $76,000,000 as the retail value of cars in Canada, without allowing for the sales and excise tax. This value is approximately 35 per cent greater because of the tariff. That means that approximately $20,000,000 is the excess price paid the manufacturers of these cars, or at least paid by the people of Canada for these cars in the year 1924. Of the cars made in Canada, 35 per cent were exported and 65 per cent consumed at home. Sixty-five per cent of the $14,219,137 of salaries and wages would be $9,242,429, for salaries and wages on Canadian made cars. That is less than half of the excess price charged to us by the makers of these cars.

As I have just said, $20,000,000 is approximately the price which we pay to manufacturers because of this tariff. It actually figures out at $19,696,432. On 76,923 Canadian made cars sold in Canada, that means an average increase in price of $255 per car. The total

wages paid by the industry in Canada without salaries, was $10,938,202. Sixty-five per cent of these cars consumed in Canada would make the wages paid on Canadian cars consumed in Canada $7,109,831, or an average wage of $92.42 per car. The manufacturer charges us because of the tariff an extra $255 per car; he pays in wages $92.42, yet we are told that protection is for the purpose of enabling our manufacturers to pay a living wage to those engaged in the industry. I say again, Mr. Speaker, that surely this tariff on automobiles is a violation of the spirit of the National Policy.

I have no doubt that someone will say, "See the large amount of customs duties which these manufacturers pay to the government." On page 22 of this yellow booklet it shows that in the year 1924 they paid as customs duty on engines and parts $5,745,813; in 1923 they paid $5,857,689, a total for those two years of $11,603,502.

But I find that in the year 1924 we paid to those manufacturers as drawbacks $5,223,341 and in 1923 $3,216,396, a total of $8,439,737. The net customs revenue for those two years, when you deduct the drawbacks, was $3,163,765, or an average for each of the two years of $1,581,882. The wages and salaries paid on cars consumed in Canada in 1924 amounted to $9,242,429; the wages alone paid on cars sold in Canada amounted to $7,109,831; the net customs paid to the government was $1,581,882. You will find that in wages and customs duties they have paid a little over half of the excess price which they charged us for the cars. If there had never been any motor cars made in Canada and we had paid customs duty of 35 per cent of the value of those cars, instead of that money going to the manufacturers, we would have a revenue of $20,000,000 a year, and just think what we could do with that $20,000,000. Given to the railways as a bonus for hauling coal, it would solve the coal problem; it would, I am told, amortize our national debt in sixty years, and I think it would more than pay—

Mr. GARLAND (Bow River): Would it build the Hudson Bay railway?

Mr. COOTE: It would pay, I am sure, our share of the old age pensions. I would like to point out here that the revenue which we are receiving on cars imported into Canada is not increasing, but seems rather to be decreasing. People are buying more Canadian made cars and the duty is going to the manufacturer. The revenue to the government on automobiles imported in 1923 was $4,133,321. In 1924 it dropped to $3,316,369 and in 1925 to $3,038,851. I think that point is worth bearing in mind. If we maintain this policy there will soon be no revenue from the customs tariff on automobiles, unless the people accept the advice given by the Local Council of Women of Toronto, and buy American cars just to be patriotic.

What effect would reduction of duty have on the automobile industry and on employment generally? First I think it is beyond question that a reduction in the tariff would reduce the price. Secondly, a reduction in price will increase consumption, and increased consumption means more employment. According to a statement on page three of a booklet recently issued by the Ford Motor Company, there were 6,706 people on the pay list of that company, while 12,054 persons secure employment as dealers and employees in Ford service garages. This would show that 35 per cent of these people are on the salary list of the company, while 65 per cent are employed throughout the country as dealers and garage men. It is surely beyond question that a reduction in the price of automobiles would increase the number of dealers and garage men. If there were any decrease in the number of employees in manufacturing establishments, it would be more than offset by the increase in the number of dealers and garage men, but I am sure there would be no decrease in the manufacturing plants. This industry does not need a 35 per cent protection in order to carry on. If the tariff were reduced they would have to reduce prices; more cars would be sold, and they would have an increase of employment rather than a decrease. I do not think that statement can be successfully challenged. Certainly, Mr. Speaker, there would be an increase in the total number of employees in the automobile industry generally, and in the dealers and garage men as well. Lower prices, mean a greater consumption, a greater consumption of cars, tires, gasoline, repairs and accessories; it means more men employed as dealers and garage men and in the running of service stations; it means an increase in the number of tire vulcanizers; it will mean an increase in road work, because we will have to have more good roads. It will mean more business for the railways in hauling cars, trucks, tires, repairs, gasoline and so on. I think it will also mean more work for the railways in hauling gravel and other material for road building purposes. It would increase employment and stimulate industry generally, not only in the automobile industry but in many other industries as well.

Mr. Speaker, I have no doubt that someone will say, "Well, we believe that the tariff might be reduced, but we are going to have a tariff board and we had better leave it tc them to settle this question."

Some hon. MEMBERS: No, no.

Mr. COOTE: I am glad to hear that "no" I understand that is the attitude of the automobile manufacturers themselves. The automobile manufacturers realize perfectly well that the Canadian people are demanding this reduction, and they think that if they can only get the matter before a tariff board there is no question in the world but that they can stave the matter off for at least one year more. And one year is worth a considerable amount to them. As I pointed out a little while ago the Ford Company profits in 1925 were $6,132,000 compared with $3,719,000 the year before. No doubt they want to enjoy one more year of these very handsome profits. They have already a reserve in cash and government bonds to the amount of $6,520,000. Is there not evidence enough before this House to convince us as representatives of the people that the tariff protection which this industry enjoys could and should be reduced now, and that the question should not be shelved by referring it to some tariff board? I say let the tariff on automobiles be reduced now. If the automobile manufacturers are not satisfied let them go to the board and convince it they have not been justly dealt with; but I do not apprehend there is any danger of the government putting the tariff so low that they will need any further protection. I do not think we need a tariff board to determine the fact that a Ford car on this side of the river is just the same as a Ford car in Detroit. I do not think we need a tariff board to convince us that a bolt or a nut in a Dodge car on this side of the river is the same as a bolt or a nut in a Dodge car in the country to the south. Furthermore, we do not need any tariff board to convince us that the Dodge car costs $300 more on this side of the river than it does on the other side. So I ask, what do we need an advisory tariff board for in connection with the automobile industry? In the Ottawa Citizen of Saturday there was an editorial headed "Uncertain tariff protection," which contained this paragraph emanating from a Conservative newspaper:

> In the border cities alone men have been out of employment for months, and production has been curtailed for months, simply because the government seeking to curry favour in certain sections of the country, let it be given out that it would reduce the tariff on cars.

[Mr. Coote.]

I wish the government had given that statement out; I would not need to make this speech this afternoon.

Now, to show you how unreliable some of the statements which are published in the press may be, I have here some figures showing the production in the automobile industry in the last four months compared with a similar period a year ago. They are as follows:

November, 1924..	5,962 cars
December, 1924..	7,200 cars
January, 1925..	8,301 cars
February, 1925..	10,779 cars
November, 1925..	8,741 cars
December, 1925..	7,498 cars
January, 1926..	11,252 cars
February, 1926..	15,895 cars

Surely those figures will dispose of the idea advanced in the paragraph quoted. I do not want to leave a wrong impression on the House. The paragraph I quoted was mentioned by the Citizen as coming from some other paper; I do not wish it to be understood that the Citizen itself was expressing that opinion.

Now, Mr. Speaker, I am very nearly through. But before I close I want to appeal to the members of all parties, in all sections of this House to support this resolution. I do not think I need appeal to any free trader that may be here. I should not have to appeal to any low tariff men, and I feel that I can safely appeal to protectionists in this House to support this resolution. I have heard it contended here by protectionists that protection does not necessarily increase prices. Well, there can be no doubt it does in this case because a Dodge car which sells in Detroit for $795 costs $1,095 at Windsor, so that protection increases the price of this car by exactly $300 The National Policy was established fifty years ago to build up industries in Canada. It has built up this industry; but surely the protectionists here would not want the Canadian people to think that it is the spirit of the National Policy that industries of this character should be permitted to take advantage of the tariff to the fullest extent as they are doing in this case. I claim there is no doubt in the world but that an unfair advantage has been taken of the tariff in the case of automobiles. We have often heard hon. gentlemen to my right say that when unfair advantage is taken of the tariff that tariff should be removed. Has not unfair advantage been taken of the tariff in this case? Then why should not the duty be lowered? If I were to take the resolution moved by the right hon. leader of the opposition in 1911 and substitute the word

"automobiles" for the words "agricultural implements" in one place, and then in another place add the word "consumers" this is how the resolution in question would read:

That in the opinion of this House a substantial reduction in the import duties on automobiles is now due the agriculturists and consumers of Canada, and is in just accord with the true ends of a protective tariff.

Mr. Speaker, I feel that these words are absolutely true, and I cannot see why any protectionist cannot consistently support this resolution to-day. I know that many of my Conservative friends, and some of my Liberal friends who, I think, are protectionists, believe that this should be done. They think it is about time the Canadian people—

Mr. MEIGHEN: Will the hon. gentleman explain why he did not word his resolution in that form?

Mr. COOTE: All I can say is that when I placed my resolution on the order paper I had not looked up the resolution moved by the right hon. gentleman. I must admit that I had read his speech before, but I did not remember the exact form of the resolution which he moved at that time. I may say that I would have no objection to having the resolution changed in the manner indicated. I am not a protectionist, but I realize that it is not possible to get rid of protection in Canada.

Mr. MEIGHEN: Why not?

Mr. COOTE: If we must have protection it should be as low as we can get it. In the case of automobiles I think it is altogether too high.

Mr. MEIGHEN: Will the hon. gentleman answer the question why we cannot get rid of it if we want to?

Mr. COOTE: Because both the leading parties in this House contain a number of protectionists.

Mr. EDWARDS (Frontenac): Would the hon. gentleman remove it if he could?

Mr. COOTE: It is impossible to do it, so I do not think it necessary to discuss that question. I should like to make it clear that I am not advocating that or asking for it; I do not think the people of Canada want all of the duty removed. I may say I am tired of the continual strife going on in Canada in regard to this question—some people wanting to put the tariff up as high as Haman's gallows and others wanting it removed altogether. We cannot get either of those policies, I believe, but I think we should do our best to get together, and I think the question of automobiles affords an opportunity for doing it.

I have appealed to my protectionist friends to support this resolution. I am now going to appeal to the government to support it, and this is the question I should like to put to the government particularly to the Minister of Finance (Mr. Robb): How can a government which reduced the tariff on butter, eggs, lard, cheese, mutton, beef, dried fruit and so forth, coming from Australia, partly at least to secure from Australia preferential treatment for our automobile manufacturers, now refuse to lower the tariff on automobiles, a tariff which amounts in the aggregate to twice the wages and salaries paid by this industry—

Mr. SUTHERLAND (North Oxford): Are you in favour of putting back the duty on agricultural implements—

Mr. COOTE: —and under which the manufacturers are soaking us 35 per cent for the benefit of foreign capitalists. It is the farmer's turn now. I think the time has come when some consideration should be shown him. I hope nobody will think this will be of more advantage to farmers than to any other class, because we all pay the same rate of duty. There were no lobbyists here in the interests of the farmer when the Australian treaty was put through. It is an open secret the lobbyists for the automobile manufacturers have been busy around the House for the past few weeks. Possibly a vote on the resolution to-day will show what effect they have had on hon. members. But I ask the House, what its duty is in regard to this question. To protect the automobile manufacturers eighty per cent of whose stock is owned in the United States? Is it our duty to protect the industry which makes these inordinate profits, or is it our duty to protect Canadian consumers from further unreasonable exploitation at the hands of these men by insisting that the tariff be reduced, so as to make it possible for our own people to take advantage at a reasonable price of this great invention—the autombile?

Mr. AIME BOUCHARD (Kamouraska) (Translation): Mr. Speaker, it affords me much pleasure to rise in support of the motion of my hon. friend from Macleod (Mr. Coote). Last year on March 16, 1925, the same hon. gentleman delivered on the same question, a very noteworthy speech, which I regret to say did not at the time draw our attention to the

extent it has done to-day. Moreover, we were then hoping that the motion would be given consideration when the budget was brought down, and I was somewhat guided by the words of my excellent friend from the county of Charlevoix (Mr. Casgrain), who on that occasion said:

The resolution moved by the hon. member from Macleod (Mr. Coote) is perhaps one of those that all classes of the community would like to see adopted for the very reason submitted this evening to the House by the mover of the resolution himself. Indeed, business and trades people, the most humble classes among our farmers, the rural districts as well as towns and cities, in fact everybody would like to be in a position to purchase automobiles for the convenience of business as well as for pleasure, but on better terms than those existing to-day. On the other hand the hon. Acting Minister of Finance explains to us the government's policy on this subject; he points out that they are busy preparing the budget and that within a few days the budget for the next fiscal year will be laid on the table. Under these circumstances I do not see what harm there could be in postponing this resolution until the budget is brought down.

Well, Mr. Speaker, I agreed entirely, last year, with my neighbour the hon. member for Charlevoix and I voted against such a resolution in the hope that some amendment would be forthcoming when the budget was discussed. This year, again considering the question—and you will admit with me, Sir, that a man whose opinion never changes is a man who has one fixed idea and but one idea through life—again weighing the question, and having not only the greatest sympathy but also the highest esteem for the member who has just moved this resolution, it is with much pleasure that I give it my hearty support. His perseverence in bringing this question before the House, only tends to prove that one should never relent in advocating a worthy cause; it is somewhat like the drop of water which in the end wears out the rock.

A tariff of 35 per cent on automobiles is certainly an excessive one. I do not intend entering, to-day, into a discussion on tariff in its relation to the farming class. I trust that when the budget is brought down I shall have the opportunity of expounding, before the House, certain principles on the subject. However, there is one thing that one must not forget to take into account when we speak on behalf of the farming class: it is that the farmer, to-day, who buys most of the articles of which he is in need on a protected market, must sell the surplus of his products on an open world market, where in fact, protection can in no way benefit him.

It was the belief, at one time, that automobiles were rather objects of luxury, and I even, one day, came across a friend who said to me: "When I bear a grudge against some one, when I do not know what harm to wish him, when I want to express my anger or my fury in a forcible manner, I wish him to own an automobile." But times have changed and if, to-day, there are, perhaps, too many automobiles which entice our farmers from the farm to drop them into towns, it is nevertheless true that automobiles have become a necessity, not only to professional and business men or commercial travellers, but also to farmers. Even, if it is a luxury, the farmers who can afford such a luxury can purchase them as well as others. This question is becoming more important from day to day, as the number of automobiles is constantly on the increase. Why? Because roads are everywhere improving. We are fortunate enough to have, at present, in the province of Quebec, roads which give to everybody the advantage of using automobiles, and the farmers are glad to avail themselves of such roads.

There does not only exist the ordinary vehicle for the farmers, there is also the motor truck which, thanks to the good roads, can facilitate the delivery of his milk, cream, vegetables and fruit to the town. We know that, to-day, in the vicinity of Montreal, Quebec or of any large town of Canada, there exist within a radius of 15 to 20 miles, people who devote themselves to market gardening and also sell their milk or cream in its natural state. If horses were used for the trip in the morning, these people would have to rise at 2 a.m. so as to load and leave by 3 a.m. in order to reach the city when the market opens. To-day however, with the use of automobiles, the farmers may rise with the sun—and that is not so bad—and bring their products to the market in time, and in perfect condition. Well, since these motor trucks have become a necessity, an indispensable farm implement, why make the farmer pay so dear for them?

Moreover, the automobile manufacturers have been taken care of very much like spoilt children. These industries must sooner or later drop their swaddling clothes. I think that they have been enough pampered and that it is time that an even balance be restored. This industry has grown to the extent that to-day we have in Canada one automobile for each fourteen people. However, in lowering somewhat the duty—I cannot name the amount, I shall leave this matter to our wise Minister of Finance, who will, I know, give it his most sympathetic consideration—care must be taken not to interfere with the output of automobiles. I would therefore, be in favour of a measure which

would give to all classes of society, farmers especially, the advantage of purchasing these vehicles at a lower price.

I do not intend to follow the example of those who during a month carried on obsrtuction in this House, and I shall not go over, for the tenth time, statistics that have already been brought to your attention. I shall be satisfied to state that it will afford me great pleasure to support the motion of my hon. friend, trusting that the producers of automobiles will not suffer from such a reduction and I hope at the same time that the farmers and all other classes of society shall feel happy in seeing a more just equilibrium restored between the sources of productions.

Mr. RAYMOND MORAND (East Essex): Coming from the riding of East Essex, where a very great number of the automobiles used in this country are manufactured, I cannot of course be expected to be very enthusiastic in support of this resolution favouring a reduction in the duty on automobiles. I have listened during this session to a discussion of Maritime rights and to the western lament, and after listening to them both for a long time I began to wonder whether we in the centre of Canada had any rights at all. I must say that I viewed with considerable sympathy the troubles of both, and I was quite prepared to support any move that would help them, or at least stop some of their lamentations. But when, not satisfied with telling us about their own troubles, they come out determinedly with a definite resolution that would put us in the central part of Canada into trouble, I think it is time for us in the central part of Canada to say that we have some small rights at least, and that they should be protected.

I rather enjoyed hearing the leader of the Progressive party (Mr. Forke) say a little while ago that he was quite willing to have a cow so long as somebody else milked her. So far as I can see, the two ends of Canada want, one the cow, and the other the milk, and they expect us in the centre to milk the cow for them.

Mr. BROWN: It is the milking we object to.

Mr. MORAND: I am glad you are good-natured about it.

Now first I am going to admit a few facts, and it is not very often I do that. The automobile to-day is a necessity; I am glad to have heard that said, because I believe it is true. The automobile industry has made a start in Canada, and it should be maintained in Canada because it is a permanent industry; it is not a thing which will be here to-day and be gone a short time after. Being a permanent industry, then, surely we must take care of it, surely we must protect it. We must see that it is based on a proper foundation, not ruined and given over to the United States; for I believe that would be the result of this resolution if adopted and put into effect in its present form.

Mr. EVANS: Oh, no.

Mr. MORAND: Well, I will come to that in a little while. I was rather surprised at some of the statements the hon. member for Macleod (Mr. Coote) made when speaking to his resolution. I was very much surprised to know, for instance, that every third person in Alberta owns an automobile.

Mr. COOTE: Every third farmer, I said.

Mr. MORAND: Very well then. That is certainly a very much higher percentage than in my constituency, for not every third family in my constituency owns an automobile.

Mr. COOTE: I wonder if the hon. member would tell us how far his people live from a railway or from a town.

Mr. MORAND: I assure the hon. member that that is not the reason they do not own an automobile; the reason is they cannot afford it.

The hon. member also said that there have been quite a number of lobbyists around here in the last two or three weeks. He probably is acquainted with some of them, because I am quite sure I saw amongst them the late member for South Ontario. I do not know if that is what he was doing, but he was here a great deal. I know my own opponent, who is a Liberal, was also here, and he is very much interested in seeing that the automobile industry should not be adversely affected.

I did hope and think, Mr. Speaker, that when this resolution was brought up some member of the government would rise and say: Here is a resolution that concerns a very important industry in this country, an industry with many ramifications, therefore we will refer the matter to our tariff board. I suppose, however, they did not do that because they had very little confidence in the

board. I notice that when it was suggested this afternoon that this question should be referred to the new tariff board, there was quiet among the government followers, and when it was suggested that it should not be referred to the board there was considerable acclaim. Judging by the protracted labour over the birth of this new board, I am not sure that it is going to be very healthy now that it has arrived. I can readily sense its inheritance; I am sure it will inherit a lot of low tariff ideas. I also quite realize that it will not have very much direction, nor will its environment be good, and most things, of course, base their development on inheritance and environment. Furthermore, before the board was even born the government shackled it in the Speech from the Throne, where they definitely state: "We do not believe the time has arrived for raising the tariff." So that I can quite readily understand that our good friends across the way would not have much faith in such an offspring of the government as apparently we shall see in a short while.

I am going to show as far as I possibly can some of the ramifications of this business which the hon. member who has moved this resolution (Mr. Coote) feels can be so readily adjusted. I should have thought that the fertile brains of hon. members from the west especially could have conceived, for what they consider an abuse, some other cure than the lowering of the tariff. I expected to get something much different from that. All I am interested in is that the market for automobiles shall remain in Canada for the benefit of the workingmen of this country, and in making this statement I declare emphatically right here that I have no interest in automobile factories, nor am I interested in any great amount of profit. I do believe however that every firm which invests money, brains, and efficiency in an industry has a right to a fair profit. A good deal has been said about the large profits made by the Ford Company in Canada. This is absolutely true, but the same thing applies to the Ford works in the United States. At least, they invested $125,000 on this side to start the Ford plant, whereas the Ford plant in the United States was started with nothing but debts. It grew, however, and I have heard no one over there so far find fault with Ford for having developed a wonderful industry. Let us remember, too, that that industry was built up under protection. The profits made by the Ford plant in Canada are no greater than the profits made by the plant in the United States, and this fact can be substantiated.

I will now give a few reasons why I am interested in seeing this industry maintained in Canada. In my own town and in the border cities we have working for automobile manufacturers, and the manufacturers of automobile parts, 8,978 men. Remember, this is in the border cities alone. If therefore you wipe out the duty on automobiles, or even materially reduce it, you will affect not only the automobile manufacturers but a vast army of workers as well. In Windsor alone we have working in the manufacturing of automobile parts 1,786 men, and the pay-roll in the border cities amounts to $10,928,000, while the total plant investment is over $23,000,000.

Mr. McLEAN (Melfort): Are those factories engaged exclusively in the manufacture of automobile parts?

Mr. MORAND: Yes.

An hon. MEMBER: Are they a part of the Ford Company?

Mr. MORAND: No; these are manufacturers who make parts required in the assembling of various automobiles.

Mr. MACDONALD (Glengarry): Where do the employees come from?

Mr. MORAND: Most of them come from constituencies of many of the hon. gentlemen opposite.

Mr. MACDONALD (Glengarry): From the farms?

Mr. MORAND: Yes, too often from the farms. The sons of farmers who want to go to the United States come to Windsor, and then slip over. If it were not for the automobile industry in the border cities, the number going over into the United States would be still greater.

Mr. FORKE: It is a net to catch the farmers that are flying away.

Mr. MORAND: I still believe that the hon. member for Brandon (Mr. Forke) would rather have them stay in the city of Windsor under the British flag than go to the United States. Let me now read from a list showing some of the places that derive a benefit from the automobile industry in Canada. The parts manufacturers in the border cities buy supplies not in small quantities, but in a large scale from such firms as Steel Company of Canada, Hamilton; Anaconda American Brass Company, New Toronto; Algoma Steel Corporation, Sault Ste. Marie; Standard Paint and Varnish Company, Windsor; J. T. Wing Company, Windsor; Canadian Handon and Van Winkle Company, Toronto; John Morrow

Screw Company, Ingersoll; Northern Bolt, Screw and Wire Company, Owen Sound; and from other concerns in Windsor, Walkerville, Montreal, Hamilton, St. Catharines, Galt, Wallaceburg, and elsewhere.

The foregoing is just a list of a few of the numerous manufacturers from whom the industry in the border cities gets its supplies. Some of the material the manufacturers of the border cities buy are malleable iron castings, pig iron, fire brick, steel porcelains, asbestos, cartons and containers, wires, sheet steel, sheet brass, incandescent bulbs, electrical apparatus, glass, baking enamel, and so forth. These supplies are obtained in various parts of Canada and any general reduction in the tariff would undoubtedly affect some of the manufacturers who turn out these products.

An hon. MEMBER: If the duty were reduced, more cars would be sold.

Mr. MORAND: I heard an hon. member some time ago say that if the prices of cars were reduced there would be an increase in the number of automobiles sold. Of course I agree with that statement, but I do not admit with any hon. member that a man who knows nothing about the automobile business can instruct the manufacturers in the proper conduct of that business. If the manufacturers knew of any way of increasing their business, we may rest assured that they would adopt it.

At a meeting of manufacturers of automobile parts, at which there were fifteen companies represented, there was a unanimous expression of opinion against any reduction in the duty on automobiles. For example, the Motor Products Corporation took this view:

> Reduction in duty on automobiles would affect our business very seriously. Practically our entire output is sold to the various automobile companies of Canada and we could not continue to manufacture with a lower tariff protection on the industry.

The Canadian Lamp and Stamping Company, Limited, said:

> We believe that a cut of even five per cent in the present duty on automobiles and parts would make it impossible for us to continue in business. Our profit in 1925 was three and a half per cent on our sales.

The Canadian Top and Body Company had this to say:

> Reduction in duty on automobiles would have a very serious effect on our business.

One after another they all told the same story. Supplies for the manufacture of parts that enter into the construction of automobiles are obtained in every part of Canada, and the sources of these supplies show the ramifications of the industry. As a matter of fact these supplies are obtained from New Brunswick to Winnipeg, from hundreds of firms. With the permission of the House I would place this list on Hansard:

FORD MOTOR COMPANY OF CANADA, LIMITED

STUDEBAKER CORPORATION AND CHRYSLER CORPORATION

SOURCES OF SUPPLY

Firm's Name	City	Product
D. Auckland & Son Ltd	Winnipeg	
Acme Steel Goods Co	Montreal	
Acme Waste Mfg. Co	Toronto	
Addressograph Sales Company	"	
J. Albert	Windsor	
Algoma Steel Corp. Ltd	Sault Ste. Marie	Spring Steel, Carbon Steel Alloy Steel.
Aluminum Co	Toronto	
Aluminum Steel Products	Owen Sound, Ont	Alum. castings.
American Pad & Textile Co	Chatham	
Anaconda American Brass Ltd	New Toronto	Brass and copper.
The Arco Co. Ltd	Toronto	
The Angus Mnfg.Co	"	
Arlington Co. of Canada Ltd	"	
Armstrong Cork & Insulation Co	"	Cork.
The Arnold Mfg. Co	Guelph	
J. H. Ashdown Hardware	Winnipeg	
E. C. Atkinson	Hamilton	
The Ault & Wiborg Co	Toronto	
Auto Specialties Mnfg. Co	Windsor	Mall. castings.
Babcock-Wilcox & Goldie McCulloch	Galt	
J. H. Back & Co	London	
Bailey Motor Co	Montreal, P.Q	
Bakelite Corp	Toronto	Bakelite.
W. H. Bamfield & Sons	"	

FORD MOTOR COMPANY OF CANADA, LIMITED
STUDEBAKER CORPORATION AND CHRYSLER CORPORATION

SOURCES OF SUPPLY

Firm's Name	City	Product
F. F. Barber Machinery Co	Toronto	Mach. shop equipment.
The Wallace Barnes Co	Hamilton	Springs.
The Barrymore Cloth Co	Toronto	Uphol. material.
Bartlet, Macdonald & Gow	Windsor	
The Barton Netting Co. Ltd	"	
Bauer's Limited	Waterloo	
Beldams Asbestor Packing & General Mnfg. Co	Toronto	
The Bell Thread Co	Hamilton	Threads.
Benjamin Electric Mnfg. Co	Toronto	
Bird & Sons Ltd	Hamilton	
Black & Decker Mfg. Co	Montreal	Drills.
Boeckh Co., Ltd	Toronto	
Bogardus Wickens	Vancouver, B.C	
Thos. Bonar Co. Ltd	Montreal	
Border Builders Supply Co	Windsor	Sand, gravel, brick.
Border Cities Insulation Co	"	
Border Cities Wire & Iron Works	"	
Border City Auto Supply Co. Ltd	"	
Bowes Co. Limited	Toronto	
Bowman Anthony Co	Windsor	
British American Oil Co	Toronto	Oils.
The Brown Bogg's Co	Hamilton	
The Brown Bros. Limited	Toronto	
Brown & Rutherford	Winnipeg	
Bryant Pattern & Mnfg. Co	Windsor	Patterns.
F. L. Buchanan	Orillia	
The Bull Dog Lacer Co	Hamilton	
Buntin Reid Co. Ltd	Toronto	Paper.
Thos. A. Burrows Lumber Co. Ltd	Winnipeg	Lumber.
F. W. Burt Co. Ltd	Toronto	
Campbell Chrome Leather Belting	Galt	
Campbell MacLaurin Lumber Co	Montreal	
Canada Foils Ltd	Toronto	Tin foil.
Canada Furniture Manufacturers	Woodstock	Body parts.
Canada Glue Co	Brantford	Glue.
Canada Illinois Tools	Toronto	Tools.
Canada Iron Foundries Ltd	Montreal	
Canada Machinery Corp	Galt	Equipment.
Canada Metal Co	Toronto	Solder.
Canada Tack & Nail Co	Hamilton	Tacks.
Canada Wire & Cable Co. Ltd	Leaside	Elect. Material.
Canada Wire & Iron Goods Co	Hamilton	
Canadian Acme Screw & Gear Co	Toronto	Screw, Mach. Parts.
Canadian Asbestos Co	"	
Canadian Atlas Crucible Steel Co	Welland	Special Steel.
Canadian Bag Co	Toronto	
Canadian Blower & Forge Co. Ltd	Kitchener	
Canadian Bridge Co	Walkerville	
Canadian Carborundum Co	Niagara Falls	Emery Wheels.
Canadian Commercial Motor Car Co	Windsor	
Canadian Consolidated Felt Co	Kitchener	Felts.
Canadian Consolidated Rubber Co	Kitchener	Tires.
Canadian Desmond Stephan Mnfg. Co	Hamilton	
Canadian Detroit Twist Drill Co	Walkerville	Drills.
Canadian Drawn Steel Co. Ltd	Hamilton	Cold Drawn Steel.
Canadian Engineering & Tool Co	Windsor	Tools.
Canadian Explosives Ltd	Toronto	
Canadian Fabrikoid Ltd	"	Imitation leather.
Canadian Fairbanks-Morse Co	"	
Canadian Foundry Supplies & Equipments Co	"	
Canadian General Electric Co	"	Elec. equipment.
Canadian Goodrich Co	Kitchener	Tires.
Canadian Hanson & Van Winkle Co	Toronto	
Canadian Hart Wheels Co. Ltd	Galt	
Canadian Industrial Alcohol Co	Montreal	Alcohol.
Canadian Ingersoll Rand Co	"	
Canadian Johns Manville Co	Toronto	
Canadian Kodak Co. Ltd	"	
Canadian Laboratories Supplies Ltd	"	

[Mr. Morand.]

FORD MOTOR COMPANY OF CANADA, LIMITED
STUDEBAKER CORPORATION AND CHRYSLER CORPORATION

SOURCES OF SUPPLY

Firm's Name	City	Product
Canadian Lamp & Stamping Co	Ford	Auto lamps.
Canadian Liquid Air Co	Toronto	
Canadian Metal Window & Steel Products	"	
Canadian National Carbon Co. Ltd	"	
Canadian National Institute for the Blind	"	
Canadian Pneumatic Tool Co	Montreal	Tools.
Canadian Raybestos Co. Ltd	Peterborough	Asbestos lining.
Canadian Wm. A. Rogers Ltd	Toronto	
Canadian Salt Co	Windsor	
Canadian Service Co. Ltd	"	
Canadian S. K. F. Co. Ltd	Toronto	Ball bearings.
Canadian Textile & Weaving Co	Guelph	
Canadian Top & Body Corp	Tilbury	Body wooden parts.
Canadian Triangle Conduit Co	Toronto	
Canadian Westinghouse Ltd	Hamilton	
Canadian Wirebound Box Ltd	Toronto	
Canadian Woollens Ltd	Peterborough	Uphol. material.
Canfield Wilmot Co. Ltd	Woodstock	Lumber.
Carbonex Co. of Canada	Hamilton	Fasteners.
LaCie Carriere & Frere	Montreal	
Carr Fastener Co	Hamilton	
Carter Welding Co	Toronto	
Casady Tool & Stamping Co	Paris	Pumps.
Champion Spark Plug Co	Windsor	Spark plugs.
Charcoal Supply Co	Toronto	
C. A. Chilvers Co	Walkerville	
Cleveland Pneumatic Tool Co	Toronto	Tools.
Coatsworth & Bouffard Hardware Co	Walkerville	
Cock Bros	Windsor	
B. J. Coghlin Co	Montreal	
Commercial Motor Bodies & Carriages Co	Guelph	Truck bodies.
Commercial Oil Co	Hamilton	
Consolidated Plate Glass Co	Toronto	Plate glass.
Continental Wood Products Co	Elsas, Ont	
Corman Engineering Co	Toronto	
Cotton Threads Ltd	"	Threads.
Crome & Co. Ltd	"	
Dan Name Plates Co	"	Name plates.
Delaney & Petit Ltd	"	Excelsior.
Delore Smelting & Refining Co	Deloro	
Dennis Wire & Iron Works	London	
Dexter Lock Co	Hamilton	
Diamond State Fibre Co	Toronto	Fibre parts.
Dillons Ltd	Montreal	Acids.
Henry Disston & Sons Ltd	Toronto	Saws.
Doering Trunk Co	Waterloo	
Dominion Abrasive Wheel Co	Mimico	
Dominion Carbon Brush Co	Toronto	Elec. brushes.
Dominion Chain Co	Niagara Falls	
Dominion Forge & Stamping Co	Walkerville	Forgings.
Dominion Glass Co	Montreal	
Dominion Oxygen Co	Toronto	
Dominion Paint Works	Walkerville	Paint.
Dominion Rubber System Co	Toronto	Tires.
Dominion Tack & Nail Co	Galt	Tacks.
Dominion Textile Co	Toronto	Sheeting.
Dominion Wadding Co	Montreal	Uphol. material.
Dowsley Spring & Axle Co	Chatham	Car springs.
Dunlop Tire & Rubber Co	Toronto	Tires and rubber.
Dunlop Tire & Rubber Co	London	Parts.
Dunn's Leather Packings Ltd	Hamilton	
M. A. Durland Ltd	Vancouver	
T. J. Eansor & Sons	Windsor	
Eaton-Clark Co	"	
Eclipse Machine Co	Walkerville	Bendix drives.
Elder Dempster & Co	Montreal	
Elliott & Whitehall Machine & Tool Co	Galt	Tools.
Empire Cotton Mills Ltd	Welland	Cotton.

FORD MOTOR COMPANY OF CANADA, LIMITED
STUDEBAKER CORPORATION AND CHRYSLER CORPORATION

SOURCES OF SUPPLY

Firm's Name	City	Product
Essex Stamp Co Ltd	Windsor	
Eureka Planter Co	Woodstock	Grey iron cast.
Everlasting Valve Co	Toronto	
S. H. Ewing & Sons	Montreal	
Firestone Tire & Rubber Co	Hamilton	Tires.
Firstbrook Bros Ltd	Toronto	Packing boxes.
Fittings Ltd	Oshawa	Cast. and fittings.
Flint Paint & Varnish Co	Toronto	Paint.
H. W. Fox Co	Windsor	
Frank & Bryce Ltd	Toronto	
Freysens Cork Co	"	
Frontier Products Co	"	Tools.
Chas. E. Frosst & Co	Montreal	
D. Gostestner (Canada Ltd.)	Toronto	
Widley Boat Co	Penetang	
Phillip Gies Pump Co	Kitchener	
The Glidden Co	Toronto	Paints.
Goodyear Tire & Rubber Co	"	Tires and rubber parts.
A. E. Gordon Lumber Co	"	Lumber.
Gotfredson Corp	Walkerville	Trucks.
Gould Baird Poster Co	St. Catherines	
Graham Nail Works	Toronto	Nails.
Grasselli Chemical Co	"	Chemicals.
Gray Ball Bearing Co	"	Bearings.
B. Greening Wire Co	Hamilton	
Guelph Carpet and Worsted Spinning Mills Co	Guelph	Carpets.
Gummed Papers Ltd	Hamilton	
H. E. Guppy & Co	Windsor	
Gutta Percha & Rubber Ltd	Toronto	Misc. rubber parts.
Hamilton Caster & Mnfg. Co	Hamilton	
Hamilton Cotton Co	"	Brake band lining
Hamilton Gear & Machine Co	Toronto	Equipment.
Hamilton Press & Machining Co	Hamilton	
Hamilton Stamp & Stencil Works	"	
O. P. Hamlin Co	Windsor	
H. A. Harrison Tool Co	Toronto	Tools.
S. R. Hart Ltd	"	
Hart Battery Co. Ltd	St. John, P.Q.	Batteries.
Hartwell Bros. Ltd	Walkerville	
Hay & Co	Woodstock	Wood parts.
Hay Stationery Co	London	Stationery.
Hinde & Dauch Paper Co. of Canada	Toronto	
Hi-Speed Tools Ltd	Galt	Tools.
Hobbs Mnfg. Co	London	
Holden Co	Toronto	
Holland Varnish Co	Montreal	Paints.
Holmes Foundry Co	Sarnia	Grey iron cast.
Home & Wilson	Hamilton	
Holmes Thompson Inc	Montreal	
Hart Metal Co	Toronto	Babbitt.
Imperial Oil Ltd	Hamilton	Oils.
Imperial Trading Co	Montreal	
Imperial Varnish Colour Co	Toronto	
Industrial Equipment Co	Montreal	
Ingersoll Machine & Tool Co	Ingersoll	Tools.
Instruments Ltd	Toronto	
Interlake Tissue Mills	Merritton	
International Business Machines	Toronto	
International Malleable Iron Co	Guelph	Mall. castings.
International Polishing Buffs	Hamilton	
Jefferson Glass Co	Toronto	Lens.
D. M. Jessop & Sons Ltd	"	Steel.
A. Jobborn	Hamilton	
Jordon Roberts Sales Ltd	Brantford	
H. J. Jones Sons Ltd	London	
Kelsey Wheel Co	Windsor	Wooden wheels.
Kennedy Car Lining & Bag Co	Woodstock	Car coverings.
Ker & Goodwin Machinery Co	Brantford	

[Mr. Morand.]

FORD MOTOR COMPANY OF CANADA, LIMITED
STUDEBAKER CORPORATION AND CHRYSLER CORPORATION

SOURCES OF SUPPLY

Firm's Name	City	Product
Kerr Engine Co	Walkerville	
Kilgour Mnfg. Co	Hamilton	
Laidlaw Lumber Co	Toronto	Lumber.
E. W. Lancaster Co	Windsor	
James Langmuir Co	Oakville	
Lanspeary's Ltd	Windsor	
Leak & Co	Toronto	
S. Lenkewich	Ford	
Leslies Fireproof Storage	Winnipeg, Man	
Lewis Bros	Montreal	
Levergood Trucking	Windsor	
Lion Grinding Wheels Ltd	Brockville	
Pitho Print Ltd	Toronto	
London Bolt & Hinge Works	London	Misc. Bolts and nuts.
London Shipping Containers	"	
London Soap Co	"	Soap.
Long Lumber	Hamilton	
Long & Wilson Hdwe. Co	Walkerville	
Lynch Auto Sales Co	Sault Ste. Marie	
Lyman Tube & Supply Co	Vancouver	
John Lysaght Ltd	Montreal	
McDonald Mfg. Co	Toronto	
Marshall Foundry	Windsor	Castings.
T. McAvity & Sons Ltd	Toronto	
McLary Mfg. Co	London	
A. J. McRae	Toronto	
McDonald Lumber Co	Winnipeg	
McDonald Dure Lumber Co	"	
R. McDougall Co	Galt	
McIlroy Belting Works	Kingsville	Good lacings.
D. McKenzie Machinery Co	Guelph	
McKinnon Industries Ltd	St. Catharines	Forgings.
Meakins & Sons Ltd	Hamilton	
Merck & Co	Montreal	
Merritt & Co	Chatham	
Mica Co	Hull, Que	Mica sheets and parts.
Mitchell Brass Foundry	Windsor	Castings.
Modern Tool & Die Co	Essex	Tools.
Montreal Cotton & Wool Waste	Montreal	Upholstery material.
Herbert Morris Crane & Hoist Co	Niagara Falls	
J. Morrow Screw & Nut Co	Ingersoll	Screws and nuts.
Motor & Coach	Chatham	
Motor Products Co	Walkerville	Stampings and Windshields.
Motor Service	Windsor	
Mount Royal Metal Co	Montreal	Solder.
Mueller Co	Sarnia	Brass castings.
J. W. Murphy Co	Windsor	
Murray & Gregory	St. John, N.B	
National Drug & Chemical Co	London	
National Machine Works	Windsor	
National Paper Goods	Hamilton	
Nichols Chemical Co	Montreal	Chemicals.
Nicholson File Co	Port Hope	Files.
Northern Crane Works	Walkerville	
Northern Electric Co	Toronto	Elec. wiring.
Office Specialty Mnfg. Co	Newmarket	Office supplies.
Oil & Turpentine Co	Walkerville	
Ontario Insulated Wire Co	Walkerville	Elec. wiring.
Page Hersey Tubes Co	Toronto	Tubes.
Parke Davis & Co	Walkerville	
Penberthy Injector Co	Windsor	
Peacock Bros	Montreal	
H. W. Petrie	Toronto	Machinery.
Eugene Phillips Electrical Co	Montreal	Elec. wiring.
Pickford & Black	Halifax, N.S	
Pilkington Bros	Toronto	Glass.
Pilot Tool Steel Co	Montreal	Steel.
E. C. Potts Mnfg. Co	Paris	

FORD MOTOR COMPANY OF CANADA, LIMITED
STUDEBAKER CORPORATION AND CHRYSLER CORPORATION

SOURCES OF SUPPLY

Firm's Name	City	Product
Powerlite Devices Ltd	Toronto	
Pratt & Whitney	Dundas	Tools.
Precision Tool Works	Toronto	Tools.
Prest-O-Lite Battery Co	Toronto	
Preston-Schwartz Ltd	Galt	
Preston Woodworking Machinery	Preston	Machinery.
Production Materials	Toronto	Tools.
Rapid Electrotype Co	Windsor	
Ratcliffe Paper Co	Toronto	
Richard Wilcox Canadian Co	London	
Roach & McLaughlin	Windsor	
Jas. Robertson Co	Toronto	
P. L. Robertson Mnfg. Co	Milton	
Robinson Clay Products	Toronto	
Roelofson Elevator Works	Galt	
Rudd Paper Box Co	Toronto	Paper boxes.
Ruckstell Axle Co	Montreal	Axles.
Rudel Belnap Mach. Co	Toronto	
S. M. Tool Co	Windsor	Tools.
St. Thomas Metal Signs	St. Thomas	
Sandwich Foundry	Sandwich	Grey iron castings.
Scarfe & Co	Brantford	Paints.
Scythes & Co	Toronto	Cotton waste.
See & Duggan Motors	Toronto	
Sheldons Limited	Galt	
Sherwin Williams Co	Montreal	Paints and varnishes.
Shimer Cutton Head Co	Galt	
Shurly & Derrett	Toronto	
Simcoe Mitt & Glove Co	Simcoe	Gloves.
T. S. Simms	St. John, N.B	
Simonds Saw Co	Toronto	Saws.
Singer Sewing Machine Co	"	Sewing machines.
Skinner & Co	Gananoque	
C. H. Smith Co	Windsor	
Somercille Paper Boxes	London	Paper boxes.
Standard Foundry & Supply Co	Walkerville	
Standard Paint & Varnish Co	Windsor	Paints.
Standard Tube Co	Woodstock	Steel tubes.
Standard Underground Cable Co	Hamilton	Elect. wiring.
Stanley Works of Canada	"	Misc. stampings.
Steel Co. of Canada Ltd	"	Steel, etc.
Steel Co. of Canada, Ltd	Montreal	Steel products.
Stevens Co. of Galt	Galt	Tools.
Sully Brass Foundry	Toronto	
Superheater Co	Montreal	
Tallman Brass & Metal Co	Hamilton	Brass castings.
Taylor & Arnold Engineering Co	Toronto	
Taylor Forbes Co	Guelph	Grey iron castings.
Terry Nicholson Cates	Toronto	
Thistle Rubber Co	Sombra	Rubber parts.
Toronto Carpet Mnfg. Co	Toronto	Carpet.
Trussed Concrete Steel Co	Walkerville	
Turnbull Elevator Co	Toronto	
Union Drawn Steel Co	Hamilton	Cold drawn steel.
Union Lumber Co	Toronto	
United Paper Mills	"	
Victoria Paper & Twine Co	"	
F. Villeneuve Lumber Co	Walkerville	
Walker Sons Limited	"	
Hiram Walker Metal Products Co	"	
Walkerville Hardware Co	"	
Walkerville Hydro Electric Co	"	
Wallaceburg Brass & Iron	Wallaceburg	Brass castings.
Walton-Carlson	St. Catharines	Forgings.
Warford Corp	Windsor	
Western Glass Co	Vancouver, B.C	
Williams & Wilson	Montreal	

[Mr. Morand.]

FORD MOTOR COMPANY OF CANADA, LIMITED
STUDEBAKER CORPORATION AND CHRYSLER CORPORATION

SOURCES OF SUPPLY

Firm's Name	City	Product
Wilson Munroe	Toronto	
Windsor Lumber Co	Windsor	
Windsor Wiping Cloth Co	"	
J. T. Wing & Co	"	
A. Wood Mnfg. Co	Toronto	
L. A. Young Industries	Windsor	Uphol. springs.

NAMES ON STUDEBAKER AND CHRYSLER CORPORATION LISTS BUT NOT ON FORD LIST

Alemite Products	Belleville, Ont	
Barber Ellis Co	Brantford, Ont	
Northern Bolt Screw & Wire Co	Owen Sound, Ont	
Harvey E. Dodds Co	Toronto	
Gabriel Mfg. Co	"	
Galt Machine & Screw Co	Galt	
Might Directories	Toronto	
Moto-Meter Company	Hamilton	
Murdock Stationery	Toronto	
T. J. Parsons	"	
A. Schrader's Sons, Inc	"	
Thompson & Norris Co. of Can. Ltd	"	
Towe & Towe	London	
United Typewriter Co	Windsor	
Wiggins Systems	Winnipeg	
Wilson Bros	Walkerville	

Now I think the hon. gentleman said that a cut in the automobile duty would give us more railway revenue. I may state that since 1907 over 129,000 automobiles have been imported, and it is only natural to expect that a lowering of the duty will stimulate this importation, and instead of increasing our railway revenue it will reduce it, because the imported cars will be brought into Canada at the nearest point of sale and we shall lose the very considerable railway revenue that now accrues from the raw materials imported for the manufacture of automobiles. Hon. members will be surprised to be told that under the present rate of duty one of our border cities' plants representing a capitalization of millions of dollars has had to close down, only a watchman being now in charge. This plant manufactured automobile engines and axles, and these parts of course are now being shipped in from the United States.

Mr. YOUNG (Weyburn): Why is that?

Mr. MORAND: Because the duty is too low.

Mr. YOUNG (Weyburn): Twenty-five per cent?

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. MORAND: Mr. Speaker, just before six o'clock I was endeavouring to show the diversity of the industry now under discussion. One can readily see the various other industries that are involved, and I should like to give a few instances of the irregularity of the tariff on a large number of the raw materials and parts that enter into the manufacture of an automobile. I shall give a few figures to show that the duty on automobiles and on automobile parts has not been arrived at in any scientific manner, but that there has been just a gradual making up of the tariff to suit the various industries involved at various times.

Here is a statement of the duties on automobile parts, accessories and semi-finished materials entering into the construction of automobiles:

	Rate of Duty Per cent
Malleable iron castings	27½
Auto jacks	30
Wood and metal patterns	35
Spark plugs and parts	27½
Automobile lamps and hub caps	30
Twist drills, reamers and special tools	27½
Forgings	30

	Rate of Duty Per cent
Bendix drive..	27½
Springs for cushion and back upholstering.	30
Cylinder hubs, drums and flanges..	35
Windshields, metal mouldings, metal stampings, and so forth..	30
Lighting and ignition cable..	30
Cylinders, cylinder heads, and so forth..	27½
Dies, tools, and so forth..	27½
Cylinder blocks, heads and exhaust fittings.	27½

Following is a statement of the duties on raw and semi-finished materials required in the manufacture of parts, accessories and so forth:

	Rate of Duty Per cent
Fire brick..	15
Steel..	30
Porcelains..	27½
Asbestos..	25
Cartons and containers..	35
Wires..	20
Sheet steel..	12½
Sheet brass..	10
Incandescent bulbs..	30
Electrical apparatus..	27½
Glass..	22½
Baking enamel..	30
High speed and carbon:	
Tool steel..	12½ / 30
Die blocks..	30
Cold roll steel..	30
Manufactures of rubber..	27½
Machine screw products..	35
Gimp..	35
Insulated wire..	30
Cotton thread..	25
Spring wire..	20
Hoop steel..	12½
	Per ton
Pig iron..	$2.50

That, Mr. Speaker, will show you the diversity of the duty on the parts and materials that enter into the manufacture of automobiles. In addition to the duties imposed upon the various parts and materials entering into the manufacture of an automobile, the industry in this country has to bear the burden of a great number of taxes which the automobile industry in the United States does not have to bear. For instance, the sales tax. There is a sales tax in the United States, it is true; it was 5 per cent, but it has been cut down to 3 per cent. But in this country there is the sales tax, the excise tax, the stamp tax, and in addition, a sales tax upon the parts which go into the manufacture of an automobile, on the various raw materials, and so forth, all of which adds to the cost of the auto.

Mr. CAMPBELL: Is my hon. friend correct in saying that these are taxes on the industry? Are they not taxes on the consumer direct?

[Mr. Morand.]

Mr. MORAND: One equals the other, because the taxes make the price of the automobile higher than in the United States. When you compare the price of automobiles in the United States and Canada, you must certainly admit that taxes form a part of the price, and more than that, there are taxes upon the parts that go into a car, all of which adds to the price before the final tax is added to the finished product.

In comparing the Ford prices in the United States with Ford prices in Canada, we must remember that there has been a gradual evolution of the Ford plant in the United States over a considerable period of time, in a country with a very large population compared with ours, and the Ford Company, by virtue of the money which they made out of their plant, not what they invested in it, were able to secure forests, mines, railroads, and boat transportation, so that the Ford car evolves direct from the basic products into the finished article, and there is only one profit upon it. That certainly is not possible in any country until sufficient money has been made and the plant is sufficiently large to be able to own and control these various basic products. So in the United States there is only one profit on the Ford car from the time it leaves the forest until it is delivered to the purchaser, and that has been possible only by reason of the fact that they were able to do a large business and make considerable money, and thereby accumulate sufficient capital to acquire these basic resources. We have reason to believe that with the proper development of our own industry we shall get gradually into the same position, and that under a tariff here, as under a tariff there, we shall eventually turn out our Ford cars as cheaply as they do in the United States.

There is another factor which enters into it. In the United States competition has been so keen that some companies have been eliminated. It may be news to many hon. members to know that last year, in 1925, three hundred million dollars worth of new autos were sold in the United States on the instalment plan, which shows that the market there is saturated, and that they are cutting their prices. They are eliminating car after car company in the United States, and the remaining firms we have to compete with. Personally I believe in protection and so do my constituents, a protection that will be sufficient to maintain the Canadian market for our own goods. That applies not only to the manufacturer of automobiles; it applies to all other manufacturers, and to farm products as well. All I ask is, that before any-

thing is done with the tariff on automobiles a proper and thorough survey of the entire situation be made by some competent body and that we be left with the Canadian market for our Canadian cars. We ask that those factories which are running at the present time be allowed to continue to function, and that some of the factories now closed be permitted to re-open. I believe that a proper survey such as I have indicated having been made, and some readjustment of the tariff and taxes carried out, cars can probably be produced more cheaply. Furthermore, with a reduction in taxation, a reduction in excise tax, of the sales tax, and of the stamp tax I believe we will get a materially reduced price on automobiles, and then, our factories can continue to operate. I think that the working men in those factories, the people who have invested in homes for themselves, the farmers who depend upon the industry for their market, have a right to expect from this government that it will make no move in regard to a change in the tariff, that nothing in this direction will be done until the whole question has been thoroughly investigated and the results of that investigation submitted to the House.

Mr. ROBERT McKENZIE (Assiniboia): I wish to say at the outset that I am in hearty accord with the resolution introduced this afternoon by the hon. member for Macleod (Mr. Coote). The question of the duty on automobiles is one of more than ordinary importance in the constituency which I have the honour to represent. The hon. gentleman who preceded me declared that his constituency wants protection. I cannot say that the people of my constituency are very strong for protection. I believe there is no one question of more general consequence to my constituents than the duty on automobiles and motor trucks. This is partly due to the geographical location of that constituency. It extends for some ninety miles along the border of North Dakota, and this being the case our people—and particularly those who reside near the border itself—have an opportunity of studying at first hand the manner in which the duty on automobiles works out in actual practice. Under the circumstances, therefore, our people are familiar with the conditions that were described by the mover of the resolution this afternoon, and they have found that in some cases the man on the Canadian side is paying two hundred, three hundred and even four hundred dollars more for his automobile than his neighbour who in some instances lives only just across the road. My constituents have inquired thoroughly into the conditions which have brought that result about. They have found them to be the conditions that were described this afternoon and which I shall not weary the House by repeating. This tariff is not being used to protect an infant industry; it is being used to create millionaires not in our own country but in a foreign land; and the more we inquire into the conditions which prevail the more we are convinced there is something very unfair in connection with the operation of the tariff on automobiles and motor trucks.

The question has been asked: Why is it that we hear so much about the duty on automobiles to-day; why is it that so much has been said about it in the last few years? So recently as fifteen years ago very few people were concerned very much as to whether there was a high duty or a low duty on automobiles. The reason for that was that the automobile was so much of a luxury then that only a few people of wealth were able to buy it. But in the last ten years the automobile has come into much greater use, and it is no longer looked upon as a luxury. To-day it is being used more and more by all classes of people, and has come to be looked upon as an economic necessity. Not only is that the case on our farms, but it is also true as regards professional men, and men in all lines of business—in a word, the automobile is now considered a time saving device. The same can be said of the motor truck. And now that people use automobiles to such an extent and now that they are familiar with the use made of the tariff in connection with the manufacture of these vehicles, there is an insistent demand on their part for the reduction of the duty.

No doubt it will be argued that a material reduction in the duty is fraught with danger. No doubt some will maintain that as a consequence of that reduction the automobile industry will be unable to continue to function successfully, and that a large number of workingmen will be thrown out of employment. Personally, I have no desire to be otherwise than fair to the employees engaged in this industry. My desire is to be particularly fair to the local dealers in automobiles. I am not particularly concerned about the men who have made millions out of the automobile industry as we know they have in the past, but with respect to the argument advanced on behalf of the employees I do feel some concern. That being the case, I have made a careful study of the situation with respect to these employees and from that

study I have come to the conclusion that a lowering of the tariff will reduce prices. I think there is no doubt whatever about the fact that a reduction in the tariff will bring about a reduction in the price of the automobile. But would that be an evil? I think not, because in my opinion a reduction in the price of automobiles and motor trucks would result in a greatly increased demand for these vehicles and as a result of that increased demand the manufacturers would increase their plant and equipment. That would mean more work for the employees; and in my opinion their position would be greatly improved from what it is at present. The same remarks would apply to the local dealers. Their commission probably would not be as large in the case of each car they might sell, but the volume of increased sales would more than make up for any loss in that regard. With respect to the manufacturers, we have not found in the past that a reasonable reduction in the tariff has resulted in the closing of the factories or a lessened production, although we have heard arguments along that line.

I should like to say a word now with respect to the Ford Motor Company, with whose position hon. gentlemen are more or less familiar. As I view matters, the Ford Motor Company is unique in its financial standing amongst the automobile industries of this country. If it were not so I would say that the automobile tariff should be wiped out entirely. If it were possible for other industries to emulate the success of the Ford Motor Company I would say they should have no protection whatever. But as I said, I believe the Ford Company is in a unique position, and for that reason I would not advocate wiping out the tariff entirely. But believing as I do that the time is long passed when we should have a substantial reduction in the automobile tariff, I would call on the government to introduce legislation which will have the effect of substantially reducing this tariff. With the facts which have been enumerated this afternoon by the hon. member who introduced this resolution, we do not require to refer this matter to the tariff advisory board or any other organization, because we have sufficient evidence to prove that there is just need for a substantial reduction in the tariff.

Mr. T. E. KAISER (Ontario): I crave the indulgence of the House for a few moments while I address myself to the question now under consideration. I shall endeavour to express myself as best I can, this being the first occasion on which I have attempted to address the House upon any serious question. In the first place, I desire to say a few words with regard to the automobile business as it affects the community, apart altogether from the man who happens to make a few thousand dollars in the business. Permit me to say that I have no interest whatever in the automobile business which has grown up in the city of Oshawa. Oshawa which has been denominated The Motor City of Canada, is in the constituency which I represent, and is the place where I happen to reside. I have seen the little city spring up around me. I have seen it grow from a village of 3,500 people to a city of 20,000. I saw the inception of the automobile business, and I say now that probably it was a mistake that that industry happened to be started in so small a place. It is a big industry, a tremendous undertaking, and probably it naturally would have started in a larger city if the people concerned in it had had any idea at its inception that it was going to expand to such dimensions. Naturally we as Canadians, were proud of the fact that our city was growing, and it is a matter of gratification to us that those who had been connected with other industries were able to foresee the possibilities to a city from having such a tremendous industry within its bounds. But remember that it cast upon us as a community a tremendous responsibility, and we were obliged to undertake financial obligations quite beyond the expectations of a city of our size. When the industry started in Oshawa in 1906 we had a bonded debt of only $299,335. In 1907, when the McLaughlin people started to build automobiles we had an obligation of only $300,685. In the year 1918 it increased to $617,482. In the year 1919 the McLaughlin automobile works merged with General Motors of the United States of America and established the Canadian branch of the General Motors. This was a tremendous concern. It came to our city, and in order that we might equip ourselves for the big industry we required streets, pavements, water, schools and all the equipment and facilities necessary to accommodate this great concern. The rapid increase in the financial responsibilities of the city of Oshawa will be apparent from the following figures showing the growth of the municipal debt during the period from 1920 to 1925:

1920	$ 900,335
1921	1,413,458
1922	1,695,376
1923	2,142,764
1924	3,091,235
1925	3,383,433

Now we have issued bonds to this amount in order to provide necessary municipal services. These bonds should be paid in

twenty years' time. Four years of this period have passed and with this tremendous debt staring us in the face we come to this parliament and find that it is calmly and coolly considering a proposal to reduce the tariff on automobiles, and place this industry in jeopardy in Canada and in our city. Is it any wonder that we feel alarmed? If those were the only obligations we had incurred, the position might not be so bad, but there were other undertakings beyond this. There were debts incurred in building schools, amounting to $1,000,000 and the obligations undertaken in providing churches to accommodate the people. We had workmen coming to our city from various parts of Ontario to work in these industries, and these people had to be housed. What did we do? We pledged the credit of the city for $800,000 to build homes in Oshawa for workmen. One-quarter of the moneys required for these homes is perhaps paid but three-quarters remains yet to be met. I just mention these things to show, in the first place, the number of people who are affected, the condition in which our community is placed, and the alarm we feel over this proposition.

It has been stated that the reduction of the duty on automobiles will not disturb the industry. We have that on the authority of the hon. member for Macleod (Mr. Coote) and also of representatives from some other constituencies. These gentlemen, I suppose, consider themselves authorities in regard to this matter and perhaps they are. I have, however, some doubt about their conclusions. Why? Because this is not the first time our little city has been swept by the same kind of theory and reasoning; we have gone through these crises in that city more than once.

In 1923 we were told that the reduction in the duty on agricultural implements would have the same stimulating effect as we are told now the reduction in the duty of automobiles will have. Down went the tariff on agricultural implements. The government of the day did not realize that behind the agricultural implement industry were subsidiary industries here and there throughout the country. In Oshawa we had an industry manufacturing the iron that goes into these implements. and in order to appease the Massey-Harris people, what did the government do? They reduced the tariff on malleable iron from fifteen to six per cent. Six per cent was the only protection the malleable iron industry had in the city of Oshawa. If that had been the only thing that had been done we would not have suffered as we did; but, for instance, somebody from British Columbia stated that they had clay for making fire brick which the malleable iron people require, and the duty on fire-brick was increased. The result was that as the mallleable iron people could not bring the brick from British Columbia, they had to pay the duty on the same kind of brick coming from the United States because that is the only place from which they could get it. Taking into account the duties that were added in this way, the result was that the protection of six per cent upon malleable iron was absolutely wiped out. What happened? In three months' time all the patterns that were in the malleable iron industry were taken to Batavia and in the Massey-Harris building in the United States of America they undertook the business that we had been carrying on in Oshawa. This industry was thus transplanted to a foreign land. The price of the agricultural implements was not reduced, but nearly one thousand men in Oshawa were thrown out of employment.

If that had been all, we would not have minded it so much, but as soon as the patterns were gone we picked up the Buffalo papers and found in them advertisements for Canadian moulders of malleable iron to come to Batavia to manufacture the iron that formerly had been manufactured in Oshawa. We saw these thousand people thrown on the street by virtue of the action of the government of the day and what kind of responsibility did this put upon us? Nobody knows better than I, associated as I had been for thirty years with the social affairs of the city. We had to organize welfare societies—and Dr. Kaiser was always put at the head of this kind of work—to collect money and to care for the people who were in distress.

This reduction, instead of affecting one thousand people, will affect twenty thousand people in Oshawa. Why? Because nearly every industry in that city plays some part in the building of automobiles. We have the textile people making the material for the linings. We have the Pedlar people making the iron for the hoods and we have the woollen industry. We have the malleable iron industry making the little malleable iron that is required to go into these automobiles. This business is being carried on at very much reduced prices; in fact the malleable iron business throughout Ontario is just breathing to-day by virtue of this reduction in the tariff. They tell us that the aforesaid reduction will not affect our industries, that there will be such a demand for automobiles that there will be an increased demand for the

output of our industries. A reduction in the tariff has never increased the demand. Every time the government has disturbed the tariff in the industrial city which I represent, the result has been almost to put the industry affected out of business. We have seen this happen before. The same people who are advocating this reduction stated that there would be an increased demand if the tariff was removed from binder twine. But what happened? The binder twine people went out of business and binder twine became more expensive than before. They told us the same thing would happen in the case of wire fencing and wire fencing became more expensive than before. What has happened as regards the woollen industry? The effect on Canada has been almost ruinous. Why? Because our farmers had been developing the sheep industry—

Mr. FORKE: It is a good paying business.

Mr. KAISER: I want to tell my hon. friend something about the sheep industry.

Mr. FORKE: I raise them.

Mr. KAISER: Every farmer in Ontario who has a good flock of sheep has a clean farm. We cannot afford in this country to continue reducing the number of our domestic animals. The vegetable and animal kingdoms should grow side by side. I cite those just as instances to show how a change in the tariff has disturbed an industry instead of helping to build it up.

Some of the arguments that have been advanced are pure misconceptions. The hon. member for Sherbrooke (Mr. Howard) stated recently that a certain sedan was sold in the United States for $1,195 and in Canada for $1,925. Those figures, standing by themselves, may be reasonably correct, but it must be remembered that the $1,195 price was the factory price and the $1,925 price as quoted was the dealer's price in Canada, including license plates, a full supply of gas, bumpers, extra tire, extra cover, the freight and what is still more, the sales tax and the luxury tax which were not included in the United States price. A fair statement of the prices would be $1,195 in the United States and $1,720 in Canada. As a matter of fact it should be $1,195 in the United States as against $1,400 in Canada. Of all the automobiles put upon the market this particular one carried with it the widest comparative spread. Why? In Canada this particular car was more strongly built. In the next place it was lined with mohair as against cotton lining in the United States, the mohair lining costing two and one-half times as much as the cotton. The next factor is this, that the automobile people, just the same as any other manufacturers, sometimes put a new article on the market. This was a new article; it was a try-out of the market. The automobile people did not know whether this would be a popular car or not, and therefore manufactured only a thousand. As a matter of fact, it did not take with the public, and the company produced no more. That total output would have kept the factory going one single week. This explains why in the case of this particular car there was a reasonably large spread.

In discussing this subject last year, the hon. member for Macleod (Mr. Coote) gave a comparison between the prices paid for different cars in Canada and in the United States. We will not quarrel over the difference that existed last year—and there was considerable difference—but it is interesting to compare the prices that obtained then with those that are paid to-day. On a Chevrolet five-passenger touring car the price last year was $525 in the United States, and in Toronto with the tax paid it was $817. This year the Canadian price is $695. I will give now a short list showing the prices last year and this year:

	U.S. list 1925	Tax paid Toronto	Present Canadian list
Chev. 5 pass. tour. car..	$525	$ 817	$ 693
Chev. coach..	735	1,118	895
Chev. 5 pass. sedan..	825	1,279	985
Star 5 pass. tour..	540	844	735
Star sedan..	820	1,276	1,095
Dodge 5 pass. tour..	885	1,404	1,095
Dodge special tour..	985	1,506	1,180
Overland 5 pass. tour..	495	783	710
Overland 5 pass sedan..	715	1,199	1,010

What is the reason for the reduction? It is due simply to the fact that in the evolution of the automobile industry they are now just emerging into mass production; this year they were enabled to reduce their prices considerably and I have no doubt that this tendency will increase as the years go by. We may, I think, look forward to a continued appreciable reduction.

The ordinary man in comparing the respective prices of cars in the United States and Canada is apt to be guided in his opinions entirely by the bare figures, without taking into consideration all the various factors that enter into the production of the car, and consequently into the cost. We have in Canada, for example, a sales tax of five per cent; we have an excise duty of ten per cent

on all cars over $1,200; and there is also the duty payable on parts that enter into the manufacture of cars. Adding all these charges together, we find that 30 per cent of the value of the car is represented by some form of taxation. Now, if the Canadian public wants a cheaper car our public men must not lose sight of these factors to which I have referred; and if it is decided that the revenues at present derived from the various duties and imposts levied on automobiles shall be raised from some other source, then the problem of producing cheaper cars in Canada is greatly simplified. The automobile men assure me that they can reduce the price by 30 or 40 per cent if the government will comply with certain requirements which they indicate as necessary to a reduction in the cost of production. I have here a table of revenues which the country has derived during the last four or five years from automobiles, and to save time I will simply hand it to Hansard. I need not read the list because I think hon. gentlemen are reasonably familiar with the facts it discloses.

The statement is as follows:

Statement of imports of automobiles and parts entered for consumption in Canada with Customs duties and Excise taxes collected thereon during the fiscal years ended March, 1922 to 1925, and for the period from April 1st to December 31st, 1925.

Item and Year	No.	Value	Customs Duties	Excise Taxes
Automobiles, Freight—				
Fiscal year 1922..	806	$1,537,765	$ 533,541 39	.....
Fiscal year 1923..	1,082	1,889,105	651,540 69	.....
Fiscal year 1924..	1,340	1,910,808	661,565 57	.....
Fiscal year 1925..	934	1,364,664	466,068 40	.....
April to December, 1925..	853	1,245,654	429,391 56	.....
Automobiles, Passenger—				
Fiscal year 1922..	7,181	$ 9,501,362	$3,278,259 28	$ 996 08
Fiscal year 1923..	11,402	11,857,165	4,133,321 38	706,722 16
Fiscal year 1924..	9,549	9,532,350	3,316,369 99	790,083 05
Fiscal year 1925..	8,835	8,726,714	3,038,851 83	684,562 72
April to December, 1925..	11,494	10,847,171	3,776,664 53	866,308 62
Automobile engines—				
Fiscal year 1922..	12,177	$3,119,926	$ 857,718 72	.....
Fiscal year 1923..	26,225	4,153,926	1,140,783 51	.....
Fiscal year 1924..	33,744	5,056,302	1,389,706 54	.....
Fiscal year 1925..	30,732	4,313,598	1,185,566 28	.....
April to December 1925..	53,315	6,519,656	1,792,142 13	.....
Automobile parts, n.o.p.—				
Fiscal year 1922..	.....	$10,211,791	$3,053,875 00	.....
Fiscal year 1923..	.....	14,134,874	4,313,673 95	.....
Fiscal year 1924..	.....	16,808,323	5,123,078 47	.....
Fiscal year 1925..	.....	14,188,715	4,290,851 37	.....
April to December, 1925..	.....	15,922,965	4,852,785 57	.....

I want to state just a few facts in relation to this great industry that we have in the city of Oshawa. The following table will speak for itself:

The General Motors of Canada, Ltd., is responsible for Employment in Canada

General Motors employees..	3,743
Dealers and staffs..	2,739
Estimate of salesmen on comm..	3,500
Estimate of associate dealers, etc..	2,000
Estimate of employees of manufacturers supplying materials to General Motors of Canada, Ltd., and dealers..	4,000
	14,982

Using generally accepted statistics, this means that the number of Canadian residents deriving a living from General Motors of Canada, Ltd., 74,910.

1923—Employees 3,758—payroll..	$4,646,644
1924—Employees 3,390—payroll..	4,118,876
1925—Employees 3,743—payroll..	5,187,859

What the withdrawal of General Motors of Canada Limited would mean to Canada is shown in the following statement:

Loss to employees.. .. .. $5,187,859
- Loss of Wages.
- Loss of homes.
- Loss of purchasing power affecting all lines of trade.
- Loss of ability to pay taxes.

Loss to Canadian suppliers.. 12,000,000
- Depreciation of invested capital.
- Reduction in employees.
- Reduced purchasing power affecting Guelph, Border Cities, London, Gananoque, Toronto, Montreal, Peterboro, Oshawa, Chatham, Waterloo, Hamilton, St. Catharines, etc.

Loss to dealers—
- Reduction in value of used car stocks.
- Reduction in value of new car stocks.
- Reduction in gross business due to reduced car values.

Loss to railways on freight on raw materials and due to direct north and south distribution of finished cars.

Loss to shipping companies.

Loss to banking and financial institutions.

Loss to Newspapers—advertising and printing.

Loss to professional men—legal, engineering, etc.

Loss to government (millions of dollars).
- Loss of duty.
- Loss of C.N.R. freight.
- Loss of taxes paid by employees.

Loss to municipalities:
Loss of population.
Reduction of land values.
Lower assessments.
Loss in taxes.

Loss to Dominion of Canada:
Loss of skilled workers.
Reduction population.
Retarded development of natural resources.
Balance of trade adversely affected.
General retarding of manufacturing.

The question has been asked why the manufacturer of automobiles in Canada cannot produce and put on the market as cheap a car as can be sold in the United States, even leaving aside taxes and duties. Putting the manufacturers in the two countries on an equal footing, what are the reasons why the competition even then would tell against the Canadian producer. Let me give the House some reasons why cars produced in Canada cost more than those produced in the United States. The main reasons are that quantity production is less, resulting in higher cost; there is a considerable purchase of materials from outside countries on which duty is collected; machinery and equipment are largely purchased abroad, carrying a duty of 27½ per cent; materials purchased from Canadian manufacturers are higher in cost because those manufacturers have been required to pay a duty on their raw materials; the cost of these materials is further increased because of small production; the cost of distribution in Canada is greater because of wide area and small volume, this item alone accounting for at least 10 per cent. Furthermore, the car produced in Canada contains certain refinements for which no credit is given when making price comparisons with similar cars produced in the United States. Then again, the car as listed in Canada includes certain extras not included in the United States list, and the latter list prices are usually on an f.o.b. factory basis, while in Canada they are on a delivered basis. In addition to these items of higher cost, dealers in Canada require a greater margin on their business because of its small volume. The following comparison bears this out:

Canadian dealers' margin to United States dealers' margin

United States dealers 100 per cent

	Per cent
Buick	153
Chevrolet	144
Oakland	146
Oldsmobile	157
Cadillac	150
Truck	144

In this connection I may mention that Canadian dealers last year made less than one per cent as a clear profit on their turnover.

[Mr. Kaiser.]

The automobile industry means the expenditure in Canada of vast sums of money for wages, materials, taxes, transportation charges and so on. The following statement gives at a glance the Canadian expenditures made by General Motors of Canada during 1925:

General Motors

Canadian expenditures during year 1925

Materials purchased from Canadian manufacturers	$ 9,942,368
Paid employees	5,187,859
Paid federal government, duty less drawback, sales tax, excise tax, etc.	5,498,463
Paid to railroads for freight, express and cartage	2,664,204
Paid for factory improvements, tools, jigs, supplies, etc.	1,201,244
Expended on branch operations, parts depots, etc.	1,864,544
Dividends to 1,243 Canadian stockholders paid from New York on stock in General Motors Corporation	1,085,464
	$27,444,146

It has been stated that 80 per cent of the stockholders in this industry are people of the United States. I doubt very much the accuracy of this statement, for even in the Oshawa district alone we have hundreds of stockholders in our automobile plants, many of them farmers. Now I come to the domestic and export side of the automobile business. For the calendar year 1925 the sales of General Motors of Canada, Limited, were divided in these proportions: Domestic 55 per cent; export 45 per cent. Do we Canadians ever take cognizance of the fact, I wonder, that this one company has developed its Canadian industry to such an extent that within a few years the volume of its export business is the second largest of that of any motor company in the world?

Mr. FORKE: It weakens your argument.

Mr. KAISER: Everything weakens an argument to my hon. friend here except one thing, that is how to get a cent or two more for a bushel of wheat. Are we to be governed in this country by two or three men whose vision of Canada begins at their barn door and ends with their line fence?

Some hon. MEMBERS: Order.

Mr. KAISER: Well, every argument in favour of Canadian industry is questioned. The only argument that appeals to some of my hon. friends is how they may get an extra cent a bushel for their wheat. We want the people in the west to be prosperous, but we do ask them not to be dominated by the idea that wherever a little prosperity in other lines is manifested in Canada it must be de-

molished. We must not be so intolerant in our view respecting any Canadian who is making a few dollars. Apparently as soon as a person has begun to make a success out of an invention some people seem to think that parliamentary action should be taken to destroy such prosperity. We are not asking for any favours. All we desire is to be left alone.

Some hon. MEMBERS: Oh, oh.

Mr. KAISER: Let me say that in Oshawa we are undertaking greater obligations to-day in maintaining this industry than the assistance that is being asked to complete the Hudson Bay railway. We in that little city are assuming those obligations because we want to develop a Canadian industry employing Canadian people, an industry within our own borders to take care of our own needs. Surely every agrument we advance along that line is not to be regarded as a fallacy. This large export production necessitated the use of large quantities of Canadian labour and materials. The handling of these shipments by our railways and steamship lines is also an important factor.

9 p.m.

Now let me direct the attention of the House to the huge sum of money that the export sales of General Motors of Canada alone has brought to Canada in the last five years. Hon. members may be surprised to learn that these export sales brought to this country $65,000,000 in that short period. That may be a matter of no importance in the opinion of some hon. gentlemen, but I do not think their opinion will be shared by the House generally. The benefit of this business is being shared by thousands of farmers around Oshawa. The other day a farmer told me that he had made $40,000 out of selling milk to the citizens of Oshawa. But of course a farmer must not make any money catering to the needs of our urban centres; he must make it out of growing wheat, or else be driven from the country! All our farmers in the county of Ontario are protectionists—quite naturally, because they realize that they can make a good living by looking after the needs of the local market.

Now then, Oshawa is not the only centre that is concerned in this automobile industry. The province of Quebec received in purchases from General Motors $103,068.77; Toronto, $4,983,258.67; Chatham, $652,022; Oshawa, outside of General Motors, $1,461,000; Hamilton, $421,000; Walkerville, $591,000; Gananoque, $563,000; St. Catharines, $379,000; Galt, $76,000; Ingersoll, $55,000; Peterborough, $195,000; Windsor, $201,000; Waterloo, $83,000; Belleville, $55,000. With miscellaneous purchases of $177,000 we have a total of $9,942,369 distributed among the towns and cities of Ontario and Quebec in connection with the activities of the automobile industry. General Motors of Canada, Limited, have constantly obtained from Canadian sources such raw materials as could be utilized in the manufacture of a motor car, without penalizing the consumer so far as intensive competition would permit.

Mr. Speaker, some heed should be given to this thought. The automobile to-day is only one of the requirements of mankind, and I would like to give a few figures as to the cost of one dollar's worth of goods in 1913 as compared with the cost of the same goods to-day. In 1913 one dollar went a certain distance in buying an automobile and its accessories. To-day the same amount of automobile and accessories can be bought for eighty cents. Now let us compare that with the cost of some other articles entering into living costs:

	Cost of dollar's worth of goods 1913	Cost of same goods 1925
Automobiles..	$1 00	$ 80
Living..	1 00	1 59
Clothing..	1 00	1 52
Furniture..	1 00	1 95
Building and construction.	1 00	1 54

I have here a list which I will hand to Hansard, without taking the time of the House to read, of one hundred and fifty firms in Canada which have received orders from General Motors of Canada, Limited, and are furnishing supplies to this one industry in the city of Oshawa. The list is as follows:

LIST OF CANADIAN MANUFACTURERS AND OTHERS SUPPLYING MATERIALS TO GENERAL MOTORS OF CANADA, LIMITED

Material Purchased	Source Located at	Name of Company
Pressure Lubricating equip.	Belleville, Ont.	Almite Products Can. Ltd.
Bindings and Weltings	Walkerville, Ont.	Godfredson Corp.
Top Fabric	Manchester, Eng.	Armitage, Sir Elkahan & Son.
Brass & Copper, Radiator	New Toronto	Anaconda Amer. Brass Ltd.
Jacks	Windsor, Ont.	Auto Specialties Mfg. Co.
Corks	Toronto, Ont.	Fraceing Cork Co.
Batts Trimming	Waterloo, Ont.	Bauers Limited.
Pyrlin Sheets	Toronto, Ont.	Arlington Company.
Door Locks	Toronto, Ont.	W. H. Banfield & Son.
Coil Springs	Hamilton, Ont.	Wallace Barnes Co.
Brass & Copper, Castings, & stampings nickle plated	Toronto, Ont.	Booth Coulter Copper & Brass.
Cloth for Head Lining	Toronto, Ont.	Barrymore Cloth Co.
Lubricating Oils	Toronto, Ont.	British American Oil Co.
Dies	Hamilton, Ont.	Brown Boggs Co.
Tools (small)	Rock Island, Que.	Butterfield & Co.
Insulated Wire	Hamilton, Ont.	Boston Insulated Wire Co.
Tools (small)	Dundas, Ont.	Pratt & Whitney Co.
Tools (small)	Walkerville, Ont.	Canadian Detroit Twist Drill.
Insulated Wire	Toronto, Ont.	Canadian Wire & Cable Co.
Insulated Wire	Toronto, Ont.	Canadian General Elec. Co.
Insulated Wire	Montreal, Que.	Northern Electric Co.
Office Supplies	Toronto, Ont.	Brown Bros.
Office Supplies	Toronto, Ont.	Business System Limited.
Office Supplies	Oshawa, Ont.	Reformer Printing Co.
Job Printing	Oshawa, Ont.	Alger Press.
Lumber	Montreal, Que.	Campbell McLaurin Co.
Lumber	Toronto, Ont.	Linton Lumber Co.
Lumber	Toronto, Ont.	Terry Nicholson & Gates Co.
Lumber	Oshawa, Ont.	Gale & Trick.
Lumber	Toronto, Ont.	R. Laidlaw Lumber Co.
Lumber	Toronto, Ont.	Can. General Lumber Co.
Lumber	Toronto, Ont.	Union Lumber Co.
Lumber	Elsos, Ont.	Continental Wood Products.
Lumber	Toronto, Ont.	Pedwell Lumber Co.
Lumber	Lindsay, Ont.	John Carew Lumber Co.
Lumber	Belmont, Ont.	W. F. Hamblyn.
Lumber	Toronto, Ont.	Big Bear Lumber Co.
Lumber	Toronto, Ont.	Boake Mfg. Co.
Hair Pads	Toronto, Ont.	Burlington Windsor Blanket Co.
Lumber Hair Pads Glue Abrasive Paper & Cloth	Toronto, Ont Lindsay, Ont.	Belany Pettit Co.
Solder Wire Nails Plumber Supplies	Toronto, Ont.	Canadian Metal Co.
Solder	Toronto, Ont.	Hoyt Metal Company.
Hessian & Buckram	Toronto, Ont.	Canadian Bag Company.
Hessian & Buckram	Toronto, Ont.	Woods Mfg. Co.
Cold Drawn Steel	Hamilton, Ont.	Canadian Drawn Steel Co.
Cold Drawn Steel	Hamilton, Ont.	Union Drawn Steel Co.
Cold Drawn Steel	Oshawa, Ont.	John Bailes & Son.
Coated Fabrics	Toronto, Ont.	Canadian Fabrikoid Ltd.
Lubricating Oil	Toronto, Ont.	Canadian Oil Co...
Abrasives	Niagara Falls, Ont.	Can. Carborundum Co.
Machinery & Repairs Waste & Wipers Abrasive Paper and Cloth	Toronto, Ont.	Can. Fairbanks-Morse Co.
Disinfectant	Toronto, Ont.	Can. Germicide Co.
Platters Supplies etc.	Toronto, Ont.	Can. Hanse & VanWinkle Co.
Asbestos Gland Packing etc.	Toronto, Ont.	Can. Johns Manville Co.
Lamps	Ford, Ont.	Can. Lamp & Stamping Co.
Oxygen & Acetylene	Toronto, Ont.	Can. Liquid Air Co.
Upholstery Cloth	Peterboro, Ont.	Canadian Woollens Ltd.
Curtain Fasteners Pressure Lubricating equip.	Hamilton, Ont.	Car Fasteners Co.
Fender Irons (stampings)	Chatham, Ont.	Chatham Mall. & Steel Mfg.
Plate Glass	Toronto, Ont.	Consolidated Plate Glass Co.
Plate Glass	Toronto, Ont.	Toronto Plate Glass Co.
Plate Glass Wood Moulding	Oshawa, Ont.	W. E. Phillips.

LIST OF CANADIAN MANUFACTURERS AND OTHERS SUPPLYING MATERIALS TO GENERAL MOTORS OF CANADA, LIMITED—*Continued*

Material Purchased	Source Located at	Name of Company
Automatic Screw Machine Prod. Cap Screws, Nuts, etc.	Toronto, Ont.	Can. Acme Screw & Nut Co.
Automatic Screw Machine Prod. Cap Screws, Nuts, etc.	Ingersoll, Ont.	Jno. Morrow Screw & Nut Co.
Name Plates	Toronto, Ont.	P. W. Ellis Name Plate Co.
Power Transmission equip.	Toronto, Ont.	Dodge Mfg. Co.
Linoleum	Montreal, Que.	Dominion Oilcloth Co.
Tires	Toronto, Ont.	Dominion Rubber Systems.
Tire & Rubber Goods	Toronto, Ont.	Dunlop Tire & Rubber Co.
Tire & Rubber Goods	Toronto, Ont.	Goodyear Tire & Rubber Co.
Tires	Toronto, Ont.	Firestone Tire & Rubber Co.
Hood Fasteners Stampings	Hamilton, Ont.	Dexter Lock Co.
Batteries	Toronto, Ont.	Exide Batteries of Canada.
Batteries	Toronto, Ont.	Prest-O-Lite Co.
Batteries	Toronto, Ont.	Willard Storage Battery Co.
Boxes Cardboard etc	Toronto, Ont.	Fiber Boxes Ltd.
Boxes Cardboard etc	Toronto, Ont.	Canadian Wire Bound Box Co.
Malleables	Oshawa, Ont.	Fittings, Limited.
Malleables	Oshawa, Ont.	Ont. Malleable Iron Co.
Paints and Varnishes	Toronto, Ont.	Flint Varnish Co.
Paints and Varnishes	Montreal, Que.	Sherwin-Williams Co.
Paints and Varnishes	Montreal, Que.	Holland Varnish Co.
Snubbers	Toronto, Ont.	Gabriel Mfg. Co.
Chassis Springs	Gananoque, Ont.	Can. Spring & Axle Co.
Chassis Springs	Oshawa, Ont.	Central Spring Co.
Paints and Varnishes	Toronto, Ont.	Glidden Varnish Co.
Chemicals	Toronto, Ont.	Grasselli Chemical Co.
Chemicals	Toronto, Ont.	Nichols Chemical Co.
Steering Connecting Rods	Toronto, Ont.	Gray Ball Bearing Co.
Wire Rope	Hamilton, Ont.	B. Greening Wire Co.
Sprinkler Equipment	Toronto, Ont.	Grinnell Co. of Canada.
Carpet	Guelph, Ont.	Guelph Carpet & Worsted Co.
Non-elastic Webbing	Hamilton, Ont.	Hamilton Cotton Co.
Lumber	Haliburton, Ont.	Haliburton Lumber Co.
Machine Knives	Galt, Ont.	Peter Hay Knife Co.
Wheels	Chatham, Ont.	Hayes Wheel Co.
Demountable Rims	Merritton, Ont.	Hayes Wheel Co.
Lubricating Oils Gasoline	Toronto, Ont.	Imperial Oil Co.
Shackles, bolts, hardened and ground	Ingersoll, Ont.	Ingersoll Machine Co.
Tabulating Machines	Toronto, Ont.	International Business Mach.
Truck Racks Curtain Frames	Toronto, Ont.	Geo. B. Meadows Co.
Office Equipment	Toronto, Ont.	Office Specialty Mfg. Co.
Office Equipment	Toronto, Ont.	Mitchell & McGill.
Trimming Clothes	Montreal, Que.	Montreal Cottons, Ltd.
Motometers	Hamilton, Ont.	Moto-meter Co. of Canada.
Windshields Rolled Mouldings	Walkerville, Ont.	Motor Products Corp.
Bushings (bronze)	Sarnia, Ont.	Muellers, Ltd.
Leather Straps	Port Hope, Ont.	H. B. McCarthy Co.
Differential and 3rd Member Assy	St. Catharines, Ont.	McKinnon Industries.
Tire Chains	St. Catharines, Ont.	McKinnon Columbus Chain Co.
Forgings, stampings Universal Joints Gear Shaft Lever Assy	Toronto, Ont.	Massey-Harris Co.
Forgings	Brantford, Ont.	Verity Plough Co.
Pile Fabrics	Oshawa, Ont.	Oriental Textile Co.
Elevator Equipment	Toronto, Ont.	Otis-Fensom Company.
Tube Products	Guelph, Ont.	Paige-Hersey Tube Co. Ltd.
Tube Products	Woodstock, Ont.	Standard Tube Co.
Rivets and Lock Washers	Gananoque, Ont.	Parmenter & Bulloch Co.
Office Supplies	Toronto, Ont.	T. J. Parsons.
Sheet Metal Stampings Misc. Stampings	Oshawa, Ont.	The Pedlar People Ltd.
Upholstering Leather	St. John, N.B.	C. H. Peters Sons.
Upholstering Leather	Montreal, Que.	Blanchard Bros. & Lane.
Draughting Room Supplies	Toronto, Ont.	Frank Row.
Excelsior	Pickering, Ont.	Rose Excelsior Mills.
Car Heaters	London, Ont.	Richards-Wilcox Co.
Car Heaters	Hamilton, Ont.	Francisco Auto Heater Co.
mpers (collision)	Gananoque, Ont.	Skinner and Co.

LIST OF CANADIAN MANUFACTURERS AND OTHERS SUPPLYING MATERIALS TO GENERAL MOTORS OF CANADA, LIMITED—*Concluded*

Material Purchased	Source Located at	Name of Company
Radiator Tanks (Brass)	Hamilton, Ont.	B. Slater Co.
Stampings	Hamilton, Ont.	Stanley Works of Canada.
Steel (Bar and Sheet)	Hamilton, Ont.	
Bolts, screws, nuts, rivets	Toronto, Ont.	Steel Co. of Canada.
Bow Sockets	Gananoque, Ont.	
Forgings	Montreal, Que.	
Brake Pull Rods	Brantford, Ont.	
Wire Nails and Tacks		
Small Tools	Toronto, Ont.	J. A. M. Taylor Tool Co.
Carpet	Toronto, Ont.	Toronto Carpet Mfg. Co.
Mouldings	Toronto, Ont.	Tubing & Moulding Co.
Sewing Machines	Toronto, Ont.	Singer Sewing Mfg. Co.
Sewing Machines	Toronto, Ont.	Union Special Machine Co.
Typewriters	Toronto, Ont.	United Typewriter Co.
Thread	Toronto, Ont.	Universal Thread Co.
Thread	Hamilton, Ont.	Bell Thread Co.
Thread	Montreal, Que.	Central Agency Co.
Brass Cocks, Ground Plug	Wallaceburg, Ont.	Wallaceburg Brass & Iron Mfg.
Top Fabric	Manchester, Eng.	Holdsworth & Gibbs.
Upholstery Springs	Windsor, Ont.	L. A. Young Industries.
Office Supplies	Toronto, Ont.	Can. Office Appliance Co.
Pneumatic Tools	Toronto, Ont.	Can. Pneumatic Tool Co.
Scales	Windsor, Ont.	Can. Toledo Scale Co.
Electrical Room	Toronto, Ont.	Can. Triangle Conduit Co.
Wood screws, bolts, etc.	Montreal, Que.	Can. Tube & Steel Products.
Leather Straps	Ottawa, Ont.	Hugh Carson.
Cutting Compound	Toronto, Ont.	Cataracts Refining Co.
Twine	Brantford, Ont.	Consumer Cordage Co.
Machinery and parts	Galt, Ont.	Cowan & Co.
Condulets	Toronto, Ont.	Crouse-Hinds Co.
Welding Rods	Toronto, Ont.	Davis-Bournville Co.
High Speed Steel	Toronto, Ont.	Deloro Smelting & Refining.
Radiator Name Plates	Toronto, Ont.	P. W. Ellis Co.
Saws	Toronto, Ont.	G. Disston & Sons.
Structural Steel	Toronto, Ont.	Dominion Bridge Co.
Tire Chains	Niagara Falls, Ont.	Dominion Chain Co.
Tacks	Galt, Ont.	Dominion Tack & Nail Co.
Twine	Doon, Ont.	Doon Twines, Ltd.
Heating Equipment	Toronto, Ont.	C. A. Dunham.
Flowmeters	Toronto, Ont.	Dominion Flowmeter Co.
Calculating Machines	Toronto, Ont.	Elliott Fisher Co.
Envelopes	Toronto, Ont.	Geo. Everall Co.
Nickle Plated Die Castings and Stampings	Orillia, Ont.	Fisher Motor Company.
Signs	Toronto, Ont.	Flexume Sign Co.
Envelopes	Toronto, Ont.	W. J. Gage Co., Ltd.
Packings	Hamilton, Ont.	Garlock Packing Co.
Leather Belting	Toronto, Ont.	Sadler & Haworth.
Taps and Dies	Galt, Ont.	Greenfield Tap & Die Corp.
Gummed Paper	Brampton, Ont.	Gummed Papers Limited.
Jigs and Tools	Toronto, Ont.	Hall Gear & Machine Co.
Pneumatic Tools	Toronto, Ont.	Independent Pneumatic Tool Co.
Air Compressors	Montreal, Que.	Ingersoll Rand Co.
First Aid Supplies	Oshawa, Ont.	Jury & Lovell.
Automobile Covers	Woodstock, Ont.	Kennedy Car Liner Co.
Electros	Toronto, Ont.	Lee Bros. & Jones.
Brushes	Hamilton, Ont.	Meakin & Sons.
Brushes	Toronto, Ont.	Muirhead & Co.
Multigraph Equipment	Toronto, Ont.	Multigraph Sales.
Brass Castings	Oshawa, Ont.	A. F. McCulloch.
Files	Port Hope, Ont.	Nicholson File Co.
Grinding Wheels	Hamilton, Ont.	Norton Co.
Hinges	Hamilton, Ont.	Can. Oakville Co.
Insulated Wire	Brockville, Ont.	Eugine Phillips Co.
Jigs and Tools	Toronto, Ont.	Precision Tool Works.
Machinery	Preston, Ont.	Preston Woodworking Machine.
Printing	Hamilton, Ont.	Reid Press.
Abrasives	Toronto, Ont.	Ritchie Supply Co.
Cotton Cloths	Toronto, Ont.	W. Robinson & Son.
Ventilating Equipment	Galt, Ont.	Sheldons Limited.
Waste and Wipers	Oshawa, Ont.	Oshawa Iron & Metal Co.
Recording Instruments	Toronto, Ont.	Taylor Instruments Co.
Hessian Strips	St. Catharines, Ont.	Walker Bag Co.
Sanitary Supplies	Toronto, Ont.	West Disinfecting Co.

In conclusion, I wish that hon. gentlemen who consider that certain abuses have arisen in this industry, as in others, would get into their minds some other remedy than that of destroying the industry in this country. It seems a strange thing that certain people, no matter what the difficulty is, have only one remedy to propose, and that is—reduce the tariff and destroy the industry; make it go to some other country. If they find a man making a million dollars in an industry in Canada, they propose to destroy his business and force it across the line into the United States, where a man will be making five hundred million dollars instead of one million. Their policy is to patronize the man making hundreds of millions in some other country, and to destroy anybody in Canada who attempts to make a success of his business. I claim that it is our duty as Canadians not to destroy prosperity in our own country. If we find a number of farmers making a little money by catering to the needs of an industrial city, why should we bow down to the fellow who says that they should not make money on anything except wheat? We are all citizens of Canada, and I might say that it costs me more for the boots I need than it does for wheat, the same as it does every other hon. gentleman. We consume five bushels of wheat a year per head, and one pair of boots at prices to-day costs me more than all the wheat I can consume in a year.

Some hon. MEMBERS: Hear, hear.

Mr. KAISER: Yes, it is the automobile to-day, and to-morrow it will be the boot and shoe industry, as soon as the automobile industry in this country is destroyed. I do not know where the boots are made in this country, and I do not care, but if they are made in Canada and that industry requires 35 or 40 per cent protection to keep going and keep men at work in this country, I do not care what it costs me for a pair of boots, for I want to see Canadians at work and industries built up in this country and protected. Surely the genius for government on both sides of this House has not been exhausted. Surely there is some way of maintaining an industry in Canada without resorting every time to knocking down the duties and driving the industry out of the country. We want to build up this Canada of ours. We have toiled each of us in his little sphere, always ready to help everybody else. The hon. member for Labelle (Mr. Bourassa) says he has a legacy of five or six generations behind him; that is two generations more than I have, but he does not love Canada any more than I do. I want to see our country prosperous and progressive, and I say that the way to build up this country is not to destroy one industry after another. There is some other way surely of curbing avarice where it exists than that of reducing the tariff and driving industry out of the country entirely. I intended to move an amendment, Mr. Speaker. I would like to move—

Mr. YOUNG (Weyburn): Did I understand the hon. gentleman to say that because a duty was imposed on fire brick in order to help an industry in British Columbia, it was a factor in ruining the malleable iron industry in Oshawa?

Mr. KAISER: No, I never said anything of the kind. The hon. gentleman has not listened carefully. I said that the tariff on malleable iron was reduced from twelve or fifteen to six per cent, but that an additional burden was placed on the industry. A duty was placed on fire brick, which formerly came in free, and this increased duty was put on to accommodate someone who had clay out in British Columbia, and the freight from British Columbia to Oshawa more than offset the duty, and they had to bring in the American product and pay the duty, showing that it was an additional handicap. I thank you, Mr. Speaker.

An hon. MEMBER: Move your amendment.

Mr. KAISER: You will have to get someone else to move it, if you want it moved.

Mr. THOMAS DONNELLY (Willow Bunch): Mr. Speaker, I wish to speak briefly in favour of this motion now before the House to reduce the tariff on automobiles and motor trucks. My chief reason for speaking in favour of this motion is because of what it costs the people of Canada to have this automobile industry in this country. The hon. member for Macleod (Mr. Coote) quoted statistics this afternoon showing that in the year 1924 it cost the people of Canada something like $20,000,000 to have this automobile industry in Canada. Now $20,000,000 is a lot of money. Twenty million dollars would complete the Hudson Bay railway twice over. Twenty million dollars would pay one-half the deficit on the Canadian National Railways; it would pay also the interest on the bonded money it would take to deepen the St. Lawrence waterway. That is one reason why we are asking for a reduction in the tariff. We are told, however, that if we reduce the

tariff on automobiles we will have to reduce the tariff on many other articles that enter into their construction; the tariff items are so inter-related that when a change is made in one an adjustment of others becomes necessary. This only goes to show that a protective tariff is like a malignant disease. When it once becomes rooted in the country it spreads and permeates other lines of business, with the result that every industry except the farming industry begins to ask for protection. Now, in the case of a human being the only way to get rid of a malignant disease is to cut it out, and cut it out early. So I say that in the case of a protective tariff on automobiles, or any other industry, the only way to get rid of it is to cut it out root and branch—cut it out early and do away with protection.

But I wish to refer particularly to the manner in which the automobile industry affects the constituency which I have the honour to represent, the constituency of Willow Bunch This constituency extends for something like 100 miles along the northern Montana boundary line. Twenty years ago it was nothing but a bald prairie; it was not even surveyed. In the year 1908 it was opened for homestead entry but not until about the year 1911, that is 15 years ago, did the cultivation of the land begin. Now we have two lines of railway traversing this constituency. We have our little towns, our churches, our schools, our hospitals, and our telephone lines radiating throughout the country; and for the last five years this constituency has exported more wheat and better wheat than any other electoral district in western Canada. We also have 100 miles of railway traversing the constituency, and this stretch of railway ships more wheat from the producer than any other line of equal extent in the world. I simply mention these facts to show the House that the soil of Willow Bunch is fitted for the growth of wheat, and that the climatic conditions are ideal for the growth of good wheat. The people who live within fifteen or twenty miles of the railway have mostly all the land under cultivation, and a few years since—some seven or eight years ago—when we were told by our Conservative friends that the farmers in the country to the south were prospering, many of our settlers left their farms and went down there. Unfortunately, as a result, they went broke. Some of their neighbours here in Canada are helping to bring them back. They are coming back again now. The stream has turned northward. Now we have immigrants coming into our country and settling there. Just in this connection I may say that at one of our meetings in the last election we heard from Conservative orators how hard up our farmers were. Seated in the audience were eight of these people who had returned from the south, and how they must have laughed when they heard how prosperous the farmers were in the country from which they had just come. As I say, these people are returning to that district and trying to make homes there. The settlers who remained during the last three or four years are going ahead and becoming a happy, prosperous and contented people. That is the best asset that any country can have.

There is, however, another portion of this constituency which lies twenty, thirty, forty, yes, sixty miles away from the market along the boundary line of Montana. Things are different there; the settlers are too far away from the market. These people went into that country some fifteen years ago and settled there. The promise was made to them that a railway would be built right away. The war broke out and they did not get the promised railway. In 1923 a bill was introduced in this House to build what was known as the Fife lake extension of the Canadian National railway. We know what happened to that bill. It was defeated in the Senate, and the settlers did not get the much looked for railway. In consequence of the defeat of this bill the Canadian National have given up the idea of building into that section. The Canadian Pacific, however, are beginning to show signs of extending a line into the district, and the people are anxious to see progress made with it in the hope that they may have a railway in the near future. Originally the people who live at that distance from the railway started to raise cattle, as the hon. member for Marquette (Mr. Mullins) said this afternoon. But when they did that 99 per cent of them went broke, and of recent years they have gone into raising wheat. Nevertheless anyone who is engaged in farming knows that men cannot farm and raise wheat twenty, thirty, forty, fifty and even sixty miles from a railway; it is impossible to do it. They are making a living and getting along, but it is most essential that these people should have motor trucks in order to be able to haul their wheat to market. We find as we travel from one of these towns to the south that we will meet probably twenty, thirty, forty, and even one hundred motor trucks hauling wheat to the town. But these people come into contact with American farmers and they find that a truck which costs $800 in the United States cannot be bought for less than approximately $1,200 in Canada; and an automobile which costs in the neighbourhood of $1,500 in Can-

ada can be obtained in the United States for $1,000. Is it any wonder that these people begin to say, "the automobile industry is against us, the railways are against us, yes, every man's hand is against us" and they are almost inclined to give up hope of ever obtaining any relief in this country.

Mr. MORAND: Do they ever consider the difference in the freight rates between Canada and the United States?

Mr. DONNELLY: Surely they do. We have cheaper freight rates now in Canada than they have in the States; we have the cheapest freight rates in the world in this country.

Mr. MORAND: Yes, but we have deficits on our National Railways.

Mr. DONNELLY: My profession is that of medical practitioner. I have travelled through this district and have seen many families where the women and children have not been to town for four, five, six, and even seven years. The reason for it is that it requires three or four days to make a trip of sixty miles with a horse and rig and costs too much. Therefore they do not go into town; they cannot get in. It is almost essential for these people that an opportunity be afforded them of getting a cheap automobile or a cheap truck in order to be able to get into town and carry on their business. I would therefore urge upon the government that they provide a means whereby our people may be able to purchase a cheap automobile or a cheap truck. Then we may render contented settlers of the class to which I have referred and save them for our country till the railway is built.

I shall only say in conclusion that the automobile industry is expecting a reduction of the duty on automobiles. We read this in the press and we hear it on the street. The people themselves are expecting such a reduction. Why then should we disappoint them? Why not give them a reduction in the tariff? Let me say that although production in the automobile trade during the month of February has been the greatest, with the exception of one month in the whole history of the industry, yet the public generally and the automobile dealers are not buying automobiles, believing that the duty is going to be cut, and that on that account there will be a downward tendency in the price of automobiles. Let me therefore say to this government, "Do not wait for any tariff advisory board to investigate the situation and to recommend what should be done." Let the government act and act at once, in order that the public generally may know where they stand with regard to the prices of automobiles. Let them get down to business, so that the country may get back to normal conditions.

Mr. T. GERVAIS (Berthier and Maskinongé) (Translation): Mr. Speaker, first, I wish to congratulate the hon. member for Macleod (Mr. Coote) for the perseverance which he has shown in moving once more the resolution under discussion. I was under the impression that the resolutions moved in previous years differed somewhat from the present motion. I think that I remember, without having them before me, that the resolutions of previous years were more of a free-trade character than the one we are actually discussing. This question of tariff reduction as you may judge, Sir, brings back the protection and free-trade issues of days gone by. One could, I think, fill a whole library with the speeches which were delivered on the subject, both in the House and on the hustings. I remember that in my childhood, it was at a time when Sir John A. Macdonald had expounded his national policy, a protective policy, and I grew up amid the din of discussions which took place on free trade and protection. Later on, faced with the responsibilities of office we were forced to give closer study to this question of free-trade and protection, with the idea not only of discussing them as mere theories, but with the idea of applying them to the needs of the particular situation which arises in this country.

The doctrine of free trade! How delightful it was, the first years, to listen to our friends the Progressives and especially to one of them who is no more in this House, how delightful, I say, it was to listen to him debating on unrestricted free trade. Absolutely unrestricted trade, no barriers, no frontier anywhere; a sublime humane impulse on the part of nations bartering freely and in a brotherly way their products and living in the happiest possible manner on this terrestrial globe! In short, it was a dream, a humanitarian dream but unrealizable. However, the system opposed to it, protection, has given rise, in the business world to many abuses, and I think—perhaps my ideas may be wrong—however, I believe that if there had not been any tariff wall in Europe, if the whole of Europe had been under the same tariff system, if there had but existed a legitimate competition, I think that there would have been no war nor would there be any in the future. It is trade rivalry created by different conditions which give rise to disturbances

among the nations. The truth, the golden mean, to my mind, lies between these two doctrines.

It is impossible for us to establish absolute free trade. It is a very humanitarian theory, but it remains a theory, nothing more nor less than a theory. Now, is it possible to maintain, and should we maintain a tariff wall as high as the one we have at present? Must a tariff be enacted for a country according to definite and fixed principles? I do not think so. I believe that tariff questions must be considered one by one according to the particular conditions which arise, and this applies to the automobile industry as well as to others.

Some thirty years ago, we witnessed the development of the automobile industry. This development has revolutionized the transportation problem. You will remember like me that some forty years ago we travelled by boat; those among us who then lived at Sorel, Berthier or at any point along the St. Lawrence river, will remember the circumstances. When the railway was built it entirely superseded the boats. To-day, the latter are used merely as a luxury. In the district which I represent, the railway in its turn has entirely given way to the automobile. The town where I have the pleasure of residing is the starting point of one of the largest motor bus services in the whole country, and it gives a regular service. We have but to consult the statements of railway companies to find out that the automobile has entirely altered the problem of transportation and has superseded the railways just as the latter had replaced navigation. This only goes to prove that the automobile has become part of our life, and of the economic structure of the country, and must now be considered as a necessity and not as a luxury.

Let us briefly examine how this expansion took place in this country. I am not going to comment upon the numerous statistics which were cited by the hon. members who have spoken on both sides of the House. I received, like everybody, all the literature on the subject that the opponents and partisans of this measure were kind enough to supply members with. I glanced over most of it. My views to some extent were already settled on these questions and I am glad to be able to submit them to the House.

Under the regime of a very high protective tariff we gave birth to the automobile industry in this country. Protected by a 35 per cent tariff this industry made rapid strides. On this score Canada compares favourably with all the foreign countries, even including our powerful neighbour, the United States. I think that the amount received from automobiles exported by us approximates the value of our imports of the same article. Our exports and imports balance or very near. Two or three years ago, having the occasion of looking up the statistics on this subject, I think I ascertained that our exports and imports balanced as to numbers and value, or near.

Can we, now that the automobile industry has established itself in this country, now that our manufacturers have improved their implements, now that they have trained expert hands, can we now, I say, abolish entirely the tariff? I do not think so, and so far as I am concerned I would oppose it. I am in favour of maintaining a protective tariff wall on automobiles. And if I make use of the word protective, allow me, Sir, to define the meaning I attach to it. To me, the word protective, so far as industries are concerned, should never have borne the interpretation given to it and must not be so construed. It behooves legislators, it devolves upon parliament to give to any industry, not protection, because we must not give to one, two or three individuals protection, to the detriment of ten, twelve or fifteen other individuals, but it is the duty of this country to give to any industry legislation which will allow the suppression of all unjust competition on the part of similar industries operating in other countries.

What is the sum of protection which the automobile industry, to-day, requires in order that it may not be crushed by the United States industries? What constitutes the advantages which the American automobile industry has, relatively, over the Canadian industry? Is our tariff of 35 per cent too high? That is the question. I believe that a duty of 35 per cent is too much; however, I would strongly oppose doing away with all duties, because I think that the American industry enjoys a much larger market and a ready sale of its products, when we are restricted to seasonal sales, in our country.

I think that the automobile industry to maintain its present level, needs a reasonable protective tariff, a tariff which I am not in a position to determine; but on the other hand—I do not wish that my words be misunderstood—I think that the duty, at present, of 35 per cent is too high and that it can be reduced. To what extent? So far as naming the figure, I cannot do so on the spur of the moment.

Mr. MORAND (Translation): At what figure would you fix the duty?

Mr. GERVAIS (Translation): I have just stated, I cannot on the spur of the moment fix the amount of duty.

Mr. MORAND (Translation): Therefore, we can leave this to—

Mr. GERVAIS (Translation): I do not know, at present, what duty to place on this article. I am not an expert on tariff matters, I have not studied item by item, all the interchangeable parts which may be imported or not, I have not gone into the details of the automobile from the wheels to the starting crank, I have not looked into all these things, I do not know what amount must be fixed as a duty, but I state—and it is my conviction—that a duty of 35 per cent seems to me excessive and exaggerated; however, I think that the duty should not be abolished, because the United States industry has over us an advantage against which we must protect our own industry by means of a pro rata duty. I hope that my hon. friend has well understood my answer.

Mr. MORAND (Translation): To whom are you going to leave the care of deciding this question?

Mr. LAPOINTE (Translation): To the government.

Mr. GERVAIS (Translation): I will say to my hon. friend that I place such trust in the government that I shall confide the task to them.

Mr. Speaker, it is customary for every member, who delivers a speech,—and rightly so, I think—to air his views, but these views may have been moulded or somewhat influenced by the feelings which exist in the riding he represents, for no one can better feel the pulse of a county than its member elect. I represent one of the finest farming counties, the most fertile district that exists in the province of Quebec. There are but few industries in the large electoral division, made up of two counties, that I represent and I wish to inform you, Sir, that the industries that prosper in the counties of Berthier and Maskinongé can take care of free-trade, do not fear competition and control entirely the market, because they are alone. And if I express my views, if I ask that a moderate protection be maintained, it is not that I am influenced by my constituents, who belong to a farming community and who would have very much liked to have reciprocity; to such an extent that my opponent, at the last general election—he once was a member of this House—fearing defeat, came forward, in 1911, and openly advocated reciprocity. Notions of freedom and free-trade are the orders of the day in my riding and in making the above statements I was, therefore, in no way guided by local influences. Reviewing all that is being done in our country, considering the almost phenomenal growth and the ever-increasing success of the automobile industry in Canada, taking into account the interest of the whole country, from the Atlantic to the Pacific, weighing all the questions that may affect the national prosperity, I would ask the government to kindly give to the resolution of the hon. member for Macleod (Mr. Coote) a substantial effect if not immediately at least in the nearby future. The only objection I find at present— and I am speaking frankly, I am not hiding my thoughts—is that the summer purchasing contracts have already been closed, at least, in the province of Quebec and it would upset trade for the incoming season—the sale of automobiles is at its highest in the months of May, June and July—it would upset trade because almost all contracts have been signed, agents are on the road and have made their arrangements. However I would gladly see the government take a step forward in the direction pointed out by the resolution of the hon. member for Macleod (Mr. Coote). And I have sufficient confidence in the government to know that if they give us to understand that they will take steps in that direction, they will keep their word.

Mr. C. H. CAHAN (St. Lawrence-St. George): Mr. Speaker, Canada for nearly fifty years has been protectionist. Whether the Conservative party were in office or the Liberal party, with a few lapses in particular instances on their part, we have maintained a policy of protecting home industries. During those fifty years I have noticed that occasionally some industry which was able to manufacture by mass production on a large scale, made profits which were regarded by the people as undue profits, as profiteering, and in such a case, in times past, the governments of the day and successive parliaments have reduced the customs duty in order to prevent such excess profits being made by reason of the tariff or to prevent what is know in the ordinary phrase as profiteering on the part of manufacturers.

But in our industrial development we have reached a stage where a small reduction in the tariff will not meet the necessities of the case. When we began manufacturing in Canada, a few individuals started to manufacture in a small way gradually increasing their output as the market increased. We were at that time dealing with Canadians resident here,

who had their capital invested here, whose whole future was bound up in the future of this country, and if they entered upon a scheme of profiteering or of making undue use of the tariff by increasing their prices, we could nip that sort of profiteering in the bud by threatening a reduction in the duty which gave them the protection necessary for their industry. But in recent years we have seen a large influx of United States capital invested in Canadian industries which are in fact branches of larger industries in the United States. We welcome them because they have brought into Canada expert artisans, expert workmen, and they have taught us in all classes of engineering to become as expert workmen in this country as their workmen are in the United States.

During the war when I was interested in a small engineering factory in the town of Amherst and the question came up of producing in that factory not merely ordinary shells, but certain other articles necessary for the war, I sent experts through England, and in all England with the exception of two or three large factories they were not so well equipped to produce that particular class of engine and certain other articles in the engineering trade as we were in the little town of Amherst, N.S.

It is absolutely essential to the future growth of industry in this country that we should have the assistance of expert artisans from abroad. England started her great manufacturing industries, for instance the woollen industry and the cotton industry, by bringing in experts from Belgium, France and Flanders. So we have welcomed United States firms which have established branch factories in this country, giving us the use of their experts and technical training, and we have been able to educate in certain industries a large body of our own workmen who would not have had that advantage unless those United States firms had established branch factories here. The tendency, I think, has been for a United States industrial company which establishes a branch in Canada to take advantage of the tariff to the limit. Many have not done so, but others have, and figures which have been placed before parliament at its last session and this session, tend to show that certain parent industries in the United States which have established and control largely branch industries in Canada, have apparently raised the Canadian price, not taking full advantage of the tariff, but in some cases raising the suspicion throughout this country that they are taking an undue advantage of the tariff.

[Mr. Cahan.]

I listened to-day very carefully to the hon. gentleman (Mr. Coote) who introduced this resolution. I think he overlooks certain considerations which may be presented in favour of the Canadian branch factory, because of the heavier municipal taxation in many cases which is paid here, because of the comparatively heavier federal taxes which are paid here, because of the fact that we have not reached the mass production which has been reached in the United States and which cuts down overhead on the individual unit of the commodity produced, and because in his statement of the factories established, men employed and wages paid out, he did not take into account the great number of factories throughout this country which are manufacturing component parts which enter into the branch United States factories here as purchased commodities. But the fact really is that with regard to this manufacture of automobiles almost the entire productive cost is in wages and largely in wages expended in this country. It is absolutely essential for the welfare of Canada, in order to give remunerative employment to our people, that we should maintain those factories in this country.

Now can we meet the case of profiteering merely by reducing the duty? I think not. We have had one instance in a large concern manufacturing agricultural implements in Canada with considerable factory facilities across the border, to whom a mere reduction in the duty would be a matter of utter indifference. They can transfer the manufacture of those commodities for the Canadian market to their American factories and make as much there out of their mass production per unit as they make in Canada by manufacturing the smaller quantity. So that if we reduce the duty in respect of any commodity manufactured in the United States, and produced in this country by a branch factory of the American establishment, it only tends to transfer the manufacture to the United States factory and to place in their hands the production of the entire quantity of that commodity required in this market, enabling them to fix from the United States the price at which they sell their commodities in Canada. Time and time again you will find that when we have reduced the duties in order to cut down profiteering in this country, the result has only been to transfer the industry from Canada to the United States, with this consequence that the United States manufacturer, controlling the market, has raised the price in Canada beyond what it was before the reduction in duty took place. I therefore suggest to the Minister of Finance (Mr. Robb) that he will not solve this

problem which we have now before us merely by reducing the duty. In fact, the difficulty of ascertaining the real facts is a strong argument in favour of having some expert officials, or some trustworthy commission in whom we all have confidence, who will examine into each case and present the facts, and if possible propose the solution, for the consideration of parliament.

I have not seen any of the lobbyists about this House. If any have been around I wish they would call upon me at my room, for there are a good many things I should like to have an explanation about in regard to the automobile industry. If therefore there are any lobbyists in the vicinity of parliament who have knowledge of the automobile industry I here and now welcome them to my room, because, as I say, I should like to ascertain some of the facts from those who know the facts. which I have myself been unable so far to get at.

Mr. FORKE: I suggest that it is the lost sheep the shepherd seeks.

Mr. CAHAN: Then I do not wonder that my hon. friend has been canvassed by some of them. But there are others who wish to get at some of the facts, and I am persuaded from what I know of him and his career, that the Minister of Finance is as desirous of ascertaining the real facts, and as desirous of arriving at the proper solution of the problem as I am myself. I give him credit for that. I assure him however that in my humble opinion he will not find a proper solution in the mere reduction of the duties levied on automobiles coming from the United States. I think that the solution will be found in providing ways and means whereby any branch factory doing business in this country, if it attempts to make undue profits out of the Canadian people who purchase the commodities manufactured by such a branch factory, will be deprived of those profits beyond a reasonable and fair manufacturing return. I believe the solution is to be found in that direction.

As nearly as I can find out, although I do not know all the facts, several of these automobile companies are not making undue profits. They are simply beginning to build up their business and have not yet reached the point where they have a sufficiently large trade in this country or in any foreign country to make undue profits. When however it is stated publicly in the press of this country that the Ford Company, for instance, with a capital investment in Canada of $6,000,000 has been able to obtain a profit in a single year of some $6,000,000, so that its capital stock has increased in value on the market from par at $100 to $600 or $650 a share, then I say that that company is bound to make explanation to the Canadian people and to the Minister of Customs who directs the tariff projects of this country; because it does seem to me that, even taking into account the advantage of all the patents they have, and the advantages in assets which may not be comprised in the $6,000,000 investment, as well as the advantages of their skill and skilled workmen, such profits are excessive for a manufacturing industry to make from year to year in this country. Such returns the Canadian people call profiteering, and that the common people, whether they be Conservatives or Liberals, will not stand for. That the people of Canada, whether they be free traders or protectionists, will not tolerate. There must therefore be some independent means of ascertaining the facts by compelling the attendance of the representatives of this industry and obtaining their full explanation. We do not wish to do them an injustice, but if they persist in charging for their commodities in Canada prices which enable them to make undue profits by reason of the tariff, the satisfactory solution will not be found in a mere reduction of the tariff. It will be found in devising ways and means of relieving them of their excess profits and turning those profits into the treasury of the country. You will only have to do that once and for one season, and you will find that, rather than pay their excess profits into the treasury of the country, these branch factories will reduce their prices to the Canadian people. so that the purchasers of these commodities in Canada will receive the full advantage of the lower prices as well as the full advantage of the greater mass production which will result from manufacturing at the lower prices.

To reduce the tariff is to wipe out the industry; to reduce the tariff is to send thousands of expert men over into the United States to seek remunerative employment; to reduce the tariff is to wipe out the towns and villages where these automobiles are being manufactured, and where the parts that enter into their manufacture are produced; to reduce the tariff is to destroy many auxiliary industries throughout the length and breadth of the country. And that is a process which I do not think will commend itself even to the government of the day. On the other hand we need tariff protection against foreign competition. Living alongside the United States with its enormous home market and its mass production in nearly every commodity of that sort, we must have tariff protection. A tariff of 30 or 35 per cent on most of these things in order to assure the home market to our

manufacturers is not too great protection. But I suggest that the real solution will be found in devising ways and means whereby those branch factories which make use of the tariff for purposes of profiteering will have their profits transferred to the national treasury.

It was suggested this afternoon that automobiles manufactured in Canada are sold in foreign markets at a less price than prevails in this country. Obviously so, because the exporter receives, if I understand the situation aright, a rebate not only of all the duties which he himself has paid on foreign materials entering into the manufacture of the exported car, but a rebate of all the duty paid by the minor factories that manufactured the component parts for that commodity. So it is not surprising, as pointed out by my hon. friend who introduced this resolution (Mr. Coote), that when you take any one automobile factory and compare the duty which it pays on American materials entering into the manufacture of its cars with the rebate it receives on those materials which entered into the exported cars, the rebate in many cases is in excess of the duty paid. But the duty paid by that particular factory is not the whole duty, because duty has also been paid on the materials entering into the manufacture of the component parts which are supplied by auxiliary companies from one end of the country to the other.

I trust, Mr. Speaker, that the government of the day does not intend to act hastily in this matter. It is not merely a question of automobiles. If it was, there might be some excuse, because this matter needs explanation. I do not think that the circulars which I, in common with other members of the House, have received from the automobile companies contain a full and satisfactory explanation. But we must remember that this is only a typical case, and I could give the names of half a dozen other branch factories, some of which manufacture in very large quantities, with regard to whose commodities the same principle must be applied if it is applied to automobiles; and by a reduction of duty we would threaten the very existence of a large number of industries which both sides of this House regard as absolutely essential to the welfare of the country.

10 p.m.

Mr. M. N. CAMPBELL (Mackenzie): Mr. Speaker, I regret very much that the discussion should have drifted into one of those fights which we have had so often in this House, a fight between free trade and protection. I maintain that no such issue is involved in this resolution at all. Rather it is an issue between moderate protection on the one side and extortion on the other. That is what we are called upon to decide.

Now, let me quote a few figures regarding the manufacture and sale of automobiles in 1920. I find in that year we manufactured automobiles and automobile parts to the value of about $137,000,000. The wages paid amounted to $19,368,000. We exported nearly $21,000,000, so the balance sold at home represented a value of $116,509,000. On the basis of the wages involved in the total manufacture, the part chargeable to the cars distributed in the home market would be $16,376,000. Taking the value of the domestic consumption, and reducing it to an import basis, that is, the price they would have cost at the port of entry, their value would be about $101,792,000. Now, had all these automobiles and automobile parts been manufactured in the United States and imported into Canada, there would have been turned into the national treasury about $35,000,000, or just about double the wage bill. If we can imagine such a condition as no automobiles being manufactured in Canada, and all these goods being imported, and the government out of the national treasury paying the wages of all these men, we might still have had in the treasury about $19,000,000. We hear a good deal about the cost of wages in Canada. I submit, Sir, that the wages paid in our Canadian automobile factories are in all cases lower than the wages paid for similar work in the United States.

Let me take another year, 1923. In this case I may say that I have not been able to secure the figures for automobile parts. We manufactured automobiles to the value of $96,614,000, and we imported automobiles to the value of $32,000,000, while we exported to the value of $37,000,000. The salaries and wages paid on account of the cars manufactured at home amounted to about $15,000,000. Reducing the value of the cars distributed in the home market to an import basis, it would be about $44,000,000, on which the import duty would be $15,330,000. If we figure in the accessories as well and put them in the same category, it would run the amount up to pretty nearly $20,000,000, which was estimated by the hon. member for Macleod as the annual bonus that we paid to the manufacturers of automobiles and automobile parts. Last week we had a discussion in this House on a resolution dealing with old age pensions, and several hon. gentlemen took the ground that it would cost the country too much money; they considered that we could

not afford to pay annually some $10,000,000 or $12,000,000 to our indigent old people. I wonder if these same hon. gentlemen will maintain that we can afford to bonus the automobile industry nearly twice that amount annually.

Now I come to the argument as to the necessity of protection, because I am not considering the question on the merits of protection as a whole. I am assuming that the protectionist argument is right as to these industries needing a certain amount of protection. Now, there is only one way in which we can determine that necessity—by the profits made by the companies. I find that one of the leading Canadian companies in 1905, the first year in which it was in operation, paid a dividend of 6 per cent; but even this does not show the true state of affairs, because there was 6 per cent paid on all the stock. But the stock was only half paid in cash; that is, where the original stock was $125,000, only $62,500 was actually paid in. So I draw your attention to this, that the actual amount of the dividend was double the figures I quote.

Mr. BENNETT: The other half was property.

Mr. CAMPBELL: The other half was water.

Mr. CAHAN: Would the hon. gentleman give us the name of this company?

Mr. CAMPBELL: The Ford Motor Company. In 1910 they paid a dividend of 100 per cent; 1911, 100 per cent, plus 500 per cent stock dividend; 1915, 110 per cent; 1916, 600 per cent stock dividend; 1919, 35 per cent; 1922, 30 per cent; 1924, 10 per cent. The pamphlet I am reading from states:

> The original investor who sold his stock at recent market prices would have received back in dividends and sale price $350,000 in return for every $1,000 invested.

A very substantial profit indeed, and it should do away with the necessity for any further argument as to the need of this industry to be protected.

Mr. CAHAN: Supposing that you reduce the duty to nothing, how will you really solve the problem which you have presented to us?

Mr. CAMPBELL:: We are not asking that the duty be reduced to nothing, and I anticipate that the government has no intention of doing that. But the moment you do reduce the duty, to the extent it is reduced the price will have to be reduced. This company is taking advantage of almost every dollar in the tariff to-day; their cars are just a few dollars less than the price at which a similar car can be imported from the United States. I assume, then, that if the duty is reduced, they must reduce the price; otherwise, similar cars would come in from the United States.

Now with regard to the question of unemployment. I am sure there is no hon. member of this House, whether he comes from an urban or a rural district, who is insensible to the problem of unemployment. We all realize that it is one of those terrible problems we have always with us, at least in recent years, and I am sure there is no one here who will advocate anything that will increase that unemployment at the present time. But taking the very figures presented to the members of this House by the two leading automobile companies in Canada, they show that for every two men working in their factories there are three men employed in the garages of the country. Now I submit that a reduction in the tariff, even supposing it will put some of these factories out of business—which I do not for a moment admit—by increasing the importation of cars and the number of cars in use, you would increase the work for the garage men throughout the country, and I think it would take a very little increase in the work in the garages to absorb all the men who might be thrown out of employment in the factories.

With regard to the protectionist argument, I have a quotation from a speech delivered by the late Sir John A. Macdonald, who is often referred to as the father of protection. When presenting the National Policy to the House in March, 1878, he stated that this was only to foster infant industries, that it would last only until such time as those industries could stand on their own feet. He was then asked ironically by one of the members of the opposition how he could ascertain when that time had arrived, but Sir John was equal to the occasion. He said that just so soon as those manufacturing concerns began to ship goods outside the country and compete in foreign markets with the manufacturers of other countries in the world, they would have demonstrated they no longer needed protection. Now what are the facts? The hon. member for Oshawa (Mr. Kaiser) while telling us that the industry in his city would be ruined, while telling us a terrible tale of the ruination and devastation that would follow in the wake of any tariff reduction, at the same time boastingly pointed out that forty-five per cent of the product of that factory was exported. Surely, Sir, when at the present time that factory is able to export forty-five per cent of its pro-

duct to a great many other countries of the world and compete there on an equal basis with American and other monufacturers of automobiles, a reduction of ten or fifteen or twenty per cent in the protection on automobiles is not going to close up that factory and turn all those people out of employment.

The hon. member for St. Lawrence-St. George (Mr. Cahan) makes a strong point of what he calls mass production, attempting to show thereby that the American manufacturers are in a much more favourable position than those of Canada. I admit there is something in that argument. We all know that the same argument applies to every line of business, that doubling the output will naturally reduce cost of the product. Henry Ford, perhaps the greatest industrialist of this continent, has proved that very clearly, and he has repeatedly expressed the opinion that the lower he sells his product the more he can sell, and the more he can sell the cheaper he can produce. Now I say that the very procedure we are advocating to-day will, on that argument, cheapen the cost of production, because there is probably no member of this House who would deny that a reduction in the price would mean the consumption of more automobiles, and the production of more automobiles would naturally reduce the price, and thereby assist the manufacturers in solving the very problem they are so much afraid of.

The automobile manufacturers have tried to make a strong point of the fact that they produce about one hundred million dollars' worth of goods annually, and they think they are entitled to special consideration at the hands of members of this House because their production runs so large. Well, Sir, in comparison with the industry of agriculture their output is infinitesimal. The agricultural industry in 1924 produced one billion and a half dollars worth of goods, and the figures for 1925, which are not yet available, will show a substantial increase in that amount.

Mr. MORAND: How does the income derived by the federal treasury from farm production compare with the income derived from automobile production?

Mr. CAMPBELL: The taxes collected by the federal government from automobile production are largely paid by the farmers. The agricultural industry, in the last analysis, absorbs a great deal of those taxes. Whenever we on the farms buy a tire or the product of any factory, the tax paid by that factory is passed on to us and added to the price of the article. I think the hon. member will not deny that. The automobile to-day, particularly the cheap automobile, is essentially a farm implement and should be classed as such, and if that be true of the automobile, it is doubly true of the light motor truck. I would suggest to the government that in framing this reduction, and I assume the government will meet the wishes of the people in this regard and make some reduction, they should give special consideration to the motor truck. They have done it already in exempting the motor truck from the excise tax, and I think they could very well carry that a little further. As the hon. member for Willow Bunch (Mr. Donnelly) has pointed out, I think there might not be the same demand for branch lines in many parts of western Canada, and perhaps in eastern Canada as well, if we could secure motor trucks at a considerably reduced price.

But, Sir, when we come to compare the protection afforded the automobile industry with that given other manufactured products there seems to be something entirely wrong. Let us take farm implements. Binders and mowers are protected by a duty of 6 per cent; horse rakes by a duty of 7½ per cent; ploughs by a duty of 10 per cent; and wagons and sleighs by a duty of 10 per cent. I would think that the average protectionist himself, for the benefit of his own party and in order to expedite the adoption of his own ideas. would want to eliminate some of that discrimination and put it on a fairer basis than this. Is there any protectionist in Canada who can justify such a small amount of protection on farm implements and such a high protection on automobiles? I fail to see that there can be any. The onus therefore is on those protectionists to show why this discrimination exists. Either one is entirely too high, or the other is entirely too low. Just to show you how much cheaper our American cousins can buy cars I will quote a few figures, but I am not going to weary the House by quoting many. Classified under cars that can be bought at the factory under 500—that is, bought at retail prices at the factory—I find the Ford roadster selling at $260, the Ford touring car at $290. I should say in fairness that these are without demountable rims and starter. With demountable rims and starter added the prices are $345 and $375, respectively. The Overland 91 costs at the American factory $495, the Star touring car $525, and the Chevrolet roadster $525, and so on.

The hon. member for East Essex (Mr. Morand) tried to show that the automobile industry in Canada contributed a great deal

to the public revenue in the duty they paid on accessories and other parts imported from the United States. But in the list he quoted from there was not a single one of these products that paid as high as 35 per cent. On the other hand the figures which the hon. member for Macleod (Mr. Coote) quoted proved that the Ford Motor Company, after receiving the drawback for the goods exported, paid only about a million and a half annually in duties to the treasury on the goods imported. That is not a very substantial amount at all. The hon. member for Macleod corrects me and states that these figures apply to the whole automobile industry—that is to say the entire industry pays only a million and a half into the treasury annually for the purpose indicated. So, I think there is very little indeed in the argument.

Mr. KAISER: What does my hon. friend mean by the figures quoted?

Mr. CAMPBELL: The figures I was quoting deal with the amount of duty paid on imported parts or raw material. When the drawback is deducted from that amount it leaves only about a million and a half that the treasury actually gets annually from the raw material or parts imported.

Mr. MEIGHEN: I think my hon. friend has made a mistake there; I think the amount should be about four times that.

Mr. CAMPBELL: The figures I quoted from are those which the hon. member for Macleod gave this afternoon.

An hon. MEMBER: He was wrong.

Mr. CAMPBELL: Again when we come to deal with the exports I find that we export about $30,000,000 or $40,000,000 worth of automobiles and automobile parts annually. Last year we sent automobiles and parts to the Argentine, to Australia, to Brazil, to British India, to British South Africa, to New Zealand, to the United Kingdom, to the United States; and to other countries not specified we shipped goods to the value of $6,028,000. It seems to me that when our automobile manufacturers can export their products and compete successfully with the manufacturers of other countries in the markets of the world there is no necessity for such a high duty as 35 per cent being given them by way of protection.

Mr. JOHN VALLANCE (South Battleford): The question under discussion is one of great moment to-day throughout the whole of Canada. The automobile industry, I think, is the most protected of all our Canadian industries. The extent to which the industry has developed has already been pointed out, and that growth is not to be wondered at when we consider the amount of protection it has received.

Being a westerner and a farmer, my mind naturally thinks of the Ford when discussing automobiles, because that is the farmer's car. I should like for a few moments to consider the Ford car and compare the one we get in Canada with the same make of car in the United States. We have had a great deal of discussion along this line already, and it is quite obvious to the House that it has been mostly on the part of western members. So if I reiterate something that has been already mentioned, I hope the House will bear with me. We find that such a car sells in the United States, f.o.b. for $310, whereas at Ford, Ontario, the same car sells for $440, an increase of 42 per cent. Again, we might take the Dodge touring car. We find the United States price to be $795 and the Canadian price $1,095, or an increase of 38 per cent. The Ford runabout costs $290 in Detroit. A United States tax of 5 per cent must be paid, and this brings the price up to $304.50. This is the value for duty on importation into Canada. Add 35 per cent to that and it amounts to another $106.57, bringing the cost of your imported car up to $411.07, and if you buy such a car at Ford, Ontario, they will charge you $410, showing how closely they hew to the tariff line. All you save by buying a Canadian car is $1.07. But the revenue lost to the government of Canada amounts to $106.57. The Ford people naturally get that as additional price.

To the average Canadian citizen a car is no longer a luxury, at least not to the farmer. It is just as necessary to the farmer as is every other implement of production, and I believe that if we reduce the tariff down to 10 or 15 per cent it will not only make cars cheaper, but will greatly increase the demand. This will mean the employment of more hands and will help to reduce unemployment. Why is it that in the United States to-day there is one car to every six citizens, whereas in Canada there is only one car to every fourteen? It is not that conditions in general in the United States are any better than they are in Canada; it is because cars are more reasonable in price there, and are within the reach of a greater number of the population.

According to figures I have before me I find that the Ford Motor Company have now invested in the business something over $31,000,000, all of which has been made from

profits, except the original investment of $125,000. Of the latter amount only $62,500 was cash. And so since 1904 they have been paying, as has been already pointed out by the hon. member for Mackenzie (Mr. Campbell), a very large dividend. The Financial Post of February 12 of this year is responsible for the statement that the original investor who sold his stock at recent market prices would have received back in dividends and sale price $350,000 in return for every $1,000 invested. Ford exported 47 per cent of his Canadian production and 53 per cent was marketed in Canada. The amount received for the 53 per cent sold in Canada came within $6,716,840 of paying for his entire production, so that if he had marketed 66 per cent of his cars in Canada the profit would have given him 33 per cent of the production for nothing.

Now, Mr. Speaker, coming from one of the great western constituencies, as I said before, I believe that the car is an absolute necessity on the farm in western Canada to-day. A great many of our people are farming from ten or fifteen to thirty, forty and fifty miles back from a railway. The government propose this year to bring over some 3,000 British families through the Empire settlement scheme, and as the minister outlined the other night they intend settling these families along the railroad, from ten to fifteen miles from the line. It is a question that has been debated a great deal in the farmers' organizations in Canada, of which I am very proud to say I have been and always intend to be a member, that it is unprofitable for a grain farmer to farm land over nine miles from the railway. So that if we intend to settle these people from ten to fifteen miles back, with the people we have in the west farming long distances from the railway, it will not be successful. It seems to me that after all the pressure that has been brought to bear on this government they should be convinced now that the reduction is necessary. It would be a great relief to those who are already in that part of western Canada and are farming some distance from the railway, and I believe it would be an inducement, as well as an asset, to those whom we hope to welcome to our shores within the coming year.

I have not very much further to advance in this argument to-night. This is the first time I have had the privilege of addressing the House. I have been somewhat indisposed, having had some throat trouble, but I thought this question was so momentous and meant so much to western Canada that I should at least say something.

[Mr. Vallance.]

Mr. R. H. JENKINS (Queens): The resolution which we are now considering meets with my hearty approval; the proposal it involves is something I have advocated for some time past. It is high time that some move was made by this government to give relief along the line indicated. Although we have not such a large number of cars operating in Prince Edward Island as in some of the other provinces, yet in proportion to our population the need for some reduction is just as great. The automobile industry is the pet of the protection family. No other industry, so far as I am aware, has such attention paid to it by way of tariff. We pay in Canada to-day for cars the United States price with the duty and all costs added; in other words, the Canadian manufacturer collects the duty and he or his friends keep it. The tariff on automobiles is not designed for the benefit of Canadian industries. It is a tariff levied on the people in the main to pay American stockholders of Canadian factories, or possibly I should say assembly plants.

In common with other members of the House I received a few days ago a letter from the Ford Motor Company of Canada, reading as follows:

Dear Sir—

In view of the agitation in connection with the tariff on motor cars, we have considered it advisable to compile data in connection with our industry, which we feel will assist in arriving at a proper solution of this problem.

This data is submitted herewith as briefly as possible in the form of a number of graphic charts, the purport of which will be very quickly grasped.

And I imagine every hon. member will know the purport of this:

We recommend this to your careful consideration.

A change in the tariff on motor cars would be a matter of such vital importance and of such widespread ramifications, that we believe no change could be made without a most careful study of all angles of the problem by a properly constituted tariff board.

To which I replied as follows:

Dear Sirs,—

Your letter of March 10, re proposed reduction on motor cars, is before me, and I may state briefly that I need no better evidence that a drastic cut is needed on the duty on automobiles than page 15 of your folder, showing the price of Cars in the United States, and the price of same in Canada.

I am firmly convinced that the government should lose no time in making the change.

Our friends of the opposition tell us that the duty does not necessarily mean an increase in price to the buyer, but I would like to ask hon. members of this House to examine the prices of motor cars in Canada and the prices in the United States, as given by the Ford company on chart 15 of their booklet,

and then decide whether the contention of our friends opposite is correct.

Let us analyse the situation. Take for instance the runabout, the cheapest car on the list: United States price, $310, excise tax, $7.44 a total of $317.44. This I believe is the wholesale price to the dealer although the Ford company would leave the impression—in fact they state it—that any saving as between importing a car from the United States and buying the Canadian made car, is made by the Canadian purchaser—they do not use the word "dealer". If this is the wholesale price let us add say 20 per cent for the retailer's profit, which I think should be quite enough. This amount added allowing 20 per cent, on the excise tax as well as on the cost price, would give us $380.92. Now what is the price at which this same car is sold in Canada? The Ford people would have us believe it is $440.76, but I find on the price list received to-day from the local Ford dealer that the price is $588, or over $200 more than the price of the same model in the United States. I am not speaking from hearsay, I am quoting the firm's own figures, a copy of which I pass along to Hansard.

Take another model, if you will, the touring car; United States price, $330; United States excise tax, $7.92; total, $337.92. Allow the retailer 20 per cent profit, making the selling price in the United States say $405.50. What does this car sell at in Canada? According to the figures of the company, $619—again a difference of over $200. These are only two examples of the way in which buyers of cars are imposed upon by the manufacturers all along the line. I may note in passing, however, that the Canadian company will fill your gas tank and give you driving lessons free.

What has my hon. friend from Fort William to say now about his statement on page 313 of Hansard, when he interrupted me in a former speech by saying:

He—

That is the manufacturer.

—does not necessarily require to charge any more at all. The advantage to the manufacturer is that he holds his own market for himself, as they do in other countries.

He holds his own market all right, but it is a mighty heavy expense holding for the purchaser who needs a car. Motor cars, especially the cheaper ones, are not a luxury to-day. For a man with a moderate income and a family, it is to say the least a most enjoyable form of recreation—possibly not for his pocket book, but it gives him a much greater opportunity of meeting people and seeing the country than he could otherwise enjoy. It stimulates business, and if not carried to extremes, as in cases where owners cannot afford, it may be made to serve a useful purpose.

Suppose a man in Canada wants to buy a Ford car, say the head of a family in moderate circumstances; what happens? He may be working in a factory drawing a wage of $6 per day. This, I notice from this famous Ford chart, is the average Ford wage; it is higher than the average wage in other occupations in this country. He may work 300 days, which would be a good average excluding Sundays and holidays. He would at this rate be earning $1,800. He may be the head of a family, and out of his wage he may be able to save, say $1 per day. This would mean, if he wished to save money to buy a Ford runabout, in the United States, that he would need to work 317 days. At the same rate of saving from his salary in Canada he would have to work 588 days, and for other models in about the same proportion. Possibly in Canada he might die before he ever reached the goal, but in the United States he would have at least a sporting chance of attaining it. It may be argued by those in favour of keeping a high duty on cars that the money is kept in Canada and paid to Canadian workmen. If this were the case we would not particularly object, but it is doubtful. In a number of industries which I have investigated I have found that the Canadian workman is paid a smaller wage than his United States brother. I do not state positively that this is so in the automobile industry, but it would be interesting if the Ford Motor Company would prepare an additional page for their book of charts showing the wages paid to Canadian employees as against those paid for similar work in the republic to the south of us. If wages are no higher in Canada than in the United States, it naturally follows that the difference in price is corralled by the manufacturer who distributes it in large dividends to his shareholders. It would be interesting to know whether the amount indicated goes into the pocket of the workman or into that of the capitalist. I think the difference might much better be retained by us who buy the cars, and we would then know we had the difference in price and not take a chance of paying out these huge sums in dividends to people who have no interest in the country except the amount they squeeze out of us by way of protection.

Mr. Speaker, I believe in protection for all the people, not for a favoured few or a privileged class. I firmly believe that no move the government could make would be

more popular, at least in our part of the country, than a reduction in the duty on motor cars. This government need expect no sympathy from manufacturers of this class, and we expect that a government just as an individual will do its duty, which, under the present circumstances would be to reduce the duty on automobiles and motor trucks.

Mr. A. J. ANDERSON (Toronto-High Park): Mr. Speaker, if this resolution is carried it will strike directly at one of the most important industries in the constituency which I represent, namely the industry of the Willys-Overland. As I said once before on the floor of this House, seventy-five per cent of the electors of my constituency are composed of those who depend upon wages, salaries, and commissions that are derived in lieu of salaries and wages. It is a matter of very considerable moment in my constituency that the tariff should remain reasonably as it is, and from the standpoint of the concern which I am principally interested in, namely, the Willys-Overland, I think it can be shown that the duty is not too great for the purpose of maintaining a really beneficial institution in the country. I have no interest whatever in that institution; I am not a stockholder and I have no interest in it in any other way than simply as a representative of the constituency in which it is situated. My interest in the automobile industry is merely to see that that industry is maintained in a reasonable way; that it will prosper as one of the industries of the country; that it will afford employment to a large number of our citizens, and that it will give reasonable and profitable employment for Canadian capital.

The labour element in my constituency pronounced in no uncertain terms that they were in favour of a protective tariff. I was opposed by the representative of Labour in this House, in fact the ex-Minister of Labour, who had every opportunity of presenting the views of labour to the electors in my constituency. He accepted the position of being in favour of reducing the tariff, but the vote was very strongly against this theory and in favour of the maintenance of a proper tariff for the institutions of this country, and in protecting the industries it was incidentally protecting the wages and employment of the workingmen.

Canada's position in regard to the automobile industry is probably the same as it is in regard to any other industry. In the United States the automobile industry has reached the highest point of production and perfection of any country in the world. Canada is situated close to United States and is subject to the influences of the tremendous mass production and aggressiveness of industry in that country. Our interests are interlaced in regard to the automobile industry the same as with regard to any other industry. It has been said to-day that Canada has been working under a protective tariff for fifty years. The United States has been working under protective tariff for a hundred years and its protective tariff to-day is probably higher than it ever was before. There is no tendency in that country towards a reduction in the tariff.

The automobile industry is a tremendous one in the United States. I find that in 1925 in that country there were 17,591,981 cars and trucks, or one to every six people. Great Britain is the next largest in point of number of automobiles and trucks used, and the statistics show that they have 770,839 cars and trucks, or one to every fifty-seven people. Canada comes third in the list, with 639,302 cars and trucks, or one to every fourteen people. One can readily see, in comparing those figures, that with a car census of 17,591,981, the automobile industry in the United States has had an opportunity of giving a fair and lower price than we have had in Canada. It has afforded an opportunity for mass production; it has, as a matter of fact, brought about mass production. I am not so sure what the condition is in Great Britain, although the 770,831 automobiles and trucks there are not, of course, all of British manufacture. I think I am safe in saying that probably over 90 per cent of the 17,591,981 cars in the United States are of United States manufacture, but in Canada the 639,302 cars are not necessarily all of Canadian manufacture. In this country we have succeeded in controlling a considerable part of the market, but we do not depend upon the home market for our real returns. In fact, I think the export trade in connection with our automobile industry is equal to and in some cases a little greater than the sales in the home market.

I will confine myself to the Willys-Overland industry, because I am not familiar with the figures in connection with other concerns. In the Willys-Overland we have an employment roll of 858 men; we have dealers and staff numbering 1,075 men, and salesmen numbering 525. For the 858 men employed by the Willys-Overland our payroll last year amounted to $1,267,872. It is interesting to note that the Willys-Overland Company expended in connection with its production the sum of about $2,700,000 for materials, while the salaries and wages it paid out amounted

to $1,267,872, which bears a large proportion to the money spent on material.

We have heard about the duties paid by the automobile industry into the treasury of Canada. Well, the duty less drawback, together with sales and excise taxes paid into the Dominion—and these figures are obtained from the Customs department—total, from this one company alone, $924,401 or very nearly $1,000,000, while in freight and express paid to the railways and express companies the company has distributed $318,925. In plant additions they have spent over $26,900 and in miscellaneous expenditures, such as advertising, branch operations, and so on, $801,277. In other words, we find that this one company alone has expended in Canada for the year 1925 $5,947,343. In connection with that expenditure I would point out that the salaries and wages, which is a very important item to the people of my constituency, represent to the city of Toronto alone $998,686, which is a large sum of money. In Winnipeg the company pays out in wages and salaries $44,519; in Regina, $13,218, and in Montreal $111,447 or a total of $1,267,872. This total paid to employees represents about one-half of the amount spent by the company in materials used in the construction of their automobiles.

It is interesting to see what expenditures are made in the various cities and towns throughout Canada by this company. They spent altogether $3,436,146 in various parts of the Dominion, most of which, I may observe, was expended in the cities and towns of Ontario. I will not give all the figures, but I notice that the city of Toronto alone received from the Willys-Overland people for materials used in construction $1,315,322 while the city of Montreal received $163,112 and the city of Winnipeg $17,832. These figures indicate that the company is doing a Canadian business, paying out a large amount of money to Canadian workmen in wages and salaries, and purchasing Canadian material. It is a Canadian concern and this money is largely spent in Canada. It is noteworthy that the cars of to-day are sold at probably 20 per cent less than they were sold in 1914—that is to say, for 80 cents one can get as much in automobile purchase as could be got for a dollar in 1914. Compare this with other products. Commodities in general cost 59 per cent more to-day than they did in 1914, while the general cost of living is upwards of 50 per cent greater than it was at that time. It is clear, therefore, that the automobile industry has endeavoured to meet the desire of the people for a cheaper car.

This industry is seventh on a list of forty leading industries in the Dominion. Its invested capital amounts to $47,761,964. The cost of the materials used throughout the whole industry is $54,408,719, and the value of the production $81,956,429. These are considerable figures, and they prove that the industry is of immense importance to the country. So that any reduction in the tariff which would materially affect the stability and the progress of any of the concerns operating in the production of automobiles would seriously injure not only the manufacturers themselves but all those interested in allied industries, and in any concerns in Canada engaged in supplying material used in connection with the automobile industry proper.

For the purpose of comparing American and Canadian prices perhaps the Overland No. 91 may be taken as an ideal illustration. This is a touring car and of all the models produced by this particular company it enjoys the greatest sale. A car of similar make is sold on the American side also. The American quoted sale price is $495 as against the Canadian sale price of $695, and naturally the question is asked, how is the difference of $200 made up? Well, to begin with, the United States model corresponding to the Canadian Overland No. 91 does not include certain parts with which the Canadian car is equipped. It does not include, for instance, in its quoted price a speedometer which is valued at $15, nor does it include cord tires. It has only fabric tires, and this makes a difference of $25. Again, the American car uses the single texture for the top and side, whereas the car manufactured in Canada is equipped with double texture which is stronger and better. This accounts for a difference of $20. These items alone amount to $60, so that the American quotation for a car of similar design would be really $555. The price of the Canadian car is quoted at $695, and it includes these extras I have mentioned. Besides this, the Canadian company pays $72.87 in duty on manufactured parts imported from the American side for use in the Overland No. 91. So when we consider all the facts, the protection afforded the product on this side is simply the difference between $555 plus $72.87 or say $627.87—and $695, about $67.13. That is the extent of the protection given to the Willys-Overland people on that particular car, and the protection on their other models is proportionate. The protection they enjoy is therefore not 35 per cent, as has been suggested, but a much smaller percentage.

The automobile industry throughout Canada is very much in the same position as the particular company to which I have referred. The business is only seasonal; the greater part of the sales of the Willys-Overland as well as of other automobiles being made in the months of March, April, May and June. During the rest of the year these companies must more or less depend on their export business. The Willys-Overland returns for the year 1925 show that the domestic sales were 47 per cent of the total, and the export sales 53 per cent. Some hon. member in this debate has asked the question, if the Canadian manufacturer can afford to sell a large part of his output in competition with the world's manufacturers, why it is he cannot reduce the price of the car sold on the Canadian market? The hon. member for St. Lawrence-St. George (Mr. Cahan) has answered that question completely. The rebates which the manufacturer gets in the way of the return or drawback of the duties on all goods exported as well as on the materials that enter into the manufacture of his product, enable him to make a profit by means of which he can afford to carry on an export trade, in competition with other countries. But in his home market the Canadian manufacturer has to compete with the mass production of the United States. Owing to the tremendous population on the other side and to his exclusive home market, which is absolutely protected against the world, the American manufacturer has been able to establish mass production, which of course means that he is able to sell his output at much lower prices than are possible in this country. As I said before, the United States is not reducing its tariff even where its industries have been established for a century. The agriculturists of that country in recent years have been demanding very high protection; for instance, 42 cents a bushel against Canadian wheat. It is rather strange that we should be considering the desirability of free trade or lower tariff when so many of our competitors have been raising their tariffs since the war in an effort to protect their home market and their workingmen. On the contrary, we are advised by certain members of the House to reduce our tariff, especially on automobiles and other commodities, in order that we may buy them cheaper here. I submit that this is one of the factors that will reduce our population and increase our difficulties generally.

A reduction of the duties on automobiles will affect a great many other industries which depend upon the automobile industry for their existence. For instance, the Willys-Overland Company has to import a long list of materials the duties on which range from 25 to 35 per cent, only four of the articles having duties ranging from 5 to 10 per cent.

11 p.m. The company endeavours to manufacture the bulk of the component parts entering into its automobiles, but even so it has to import a great many. In addition, they buy 39 different classes of commodities from 91 Canadian firms, all of whom would be affected by a reduction of duty on automobiles, and this is something which we should very carefully consider before we make any change.

There are several reasons why automobiles and other commodities cannot be manufactured as cheaply here as in the United States. For instance, the limited production here results in higher cost, then the duty on imported materials, machinery and equipment also tend to enhance the cost of the Canadian manufacture. Furthermore, the Canadian car is better finished and generally of a higher standard than that sold in the United States, although they are similarly described in the American and Canadian catalogues. Then again our taxes are higher than those which the United States manufacturer has to pay. All these factors of additional cost in the manufacture of the Canadian car should make us hesitate before we decide to reduce the tariff. Undoubtedly we should proceed very carefully. In fact, since the government has appointed a tariff commission, I submit that this resolution should be referred to that commission in order that a proper study may be made of the effect that any reduction of duty would have not only upon the automobile industry but upon allied industries.

During the course of the debate it was said that the amount of duty pocketed by Canadian automobile manufacturers was in the neighbourhood of $20,000,000, and I believe in the circular distributed among hon. members the figure is placed at $19,942,641.60. But I do not think this is actually correct. The total value of motor cars produced in Canada in 1925, taking the wholesale price, was $107,694,-168. Of this total $40,387,904 worth was exported, leaving a balance of $67,306,264 as the value sold in Canada. These cars were sold as cheaply as possible, and at very little profit to the manufacturer.

I am not familiar with the Ford position, about which a great deal has been said, but I think that Ford cars are in rather a different class from most others cars; and the cars on which the Ford company has made the greatest amount of money are in the category of utility

[Mr. A. J. Anderson.]

cars, the cheapest cars, purchased by the largest number of people. The profits made in that way may seem big. If cars to an equivalent amount of value, namely, $67,506.26, had been imported and sold in Canada instead of having been made here, the duty collected would have amounted to approximately $17,000,000. Against this, in 1925, motor car companies paid to the federal government, in customs duties alone, after deducting drawback, the sum of $7,418,513.66. These figures are believed to be accurate to the cent, having been obtained from the Customs department. In addition to this, other companies in Canada, selling goods to motor car manufacturers, paid in duties to the government an amount which these various companies have estimated as closely as they could, at $1,500,000. So that the federal government has collected, in duty alone, the sum of approximately $9,000,000 from materials entering into the motor cars built by Canadian manufacturers and sold in Canada in 1925. This does not include many other items of duty which are more remote in relation to the industry and which could not be accumulated with accuracy. So that the net protection which manufacturers enjoyed did not exceed $8,000,000 on a domestic production of $67,000,000 in value. That, Mr. Speaker, is very different from the story that has been told here to-day.

In conclusion, I will place on record a summary of the results:

Number of employees in motor car factories alone (not including factories making parts and materials)..	11,389
Total wages and salaries..	$17,595,282 44
Sales, excise and stamp taxes paid the federal government in addition to the duty above referred to..	7,407,034 69
Amount of money spent in Canada for production material and supplies.. ..	38,663,598 65
Payments made to railroads and transportation companies..	6,497,830 93
Value of goods exported..	40,387,904 86

Mr. Speaker, for the reasons I have somewhat imperfectly stated, I am against this resolution. In my opinion the resolution should not be approved by the House, but the whole matter should be referred to the tariff commission for the purpose of study. If it were possible for all the members of this House to study this question as the tariff commission will be in a position to do, I would have no hesitation in saying that the members of this House would be the proper parties to deal with the matter. But there is so much involved, the question is so intricate, that it would require more time than the average member of parliament has to deal with the question adequately; therefore I have no hesitation in saying that to refer it to the tariff commission is the proper disposition to make of the matter.

Mr. S. G. TOBIN (Wetaskiwin): Mr. Speaker, I wish to support the resolution introduced by the hon. member for Macleod (Mr. Coote). While I have nothing to add to the arguments that have been made in support of it, one may be excused for wishing to go on record in support of this resolution, as it is of so much importance to the whole of Canada. We are always glad to support resolutions that will be of benefit to our own district, particularly when such resolutions are of first importance to our own province as well as to the whole of Canada.

This, Mr. Speaker, is an automobile age. From one end of Canada to the other every man and every woman you meet wants an automobile if he or she has not got one. As the mover of the resolution has stated, Ford has said that every farmer should have three,—a truck, a runabout, and a sedan for rainy days. That would be the ideal, but we shall probably not reach that stage for some time. However, we all realize that the automobile to-day is a utility needed by all walks of life, not by farmers only more than by all classes. When we think of automobiles we naturally think of Ford, because he was the creator of the cheap automobile. He believed, as many others in other lines of business believed, that it was better to sell many units at a small profit than a few at a large profit. It seems that in Canada we have adopted the reverse idea, and that some business organizations have decided by the help of high protection that the ideal is to sell a few units at a high profit.

Some hon. gentlemen opposite said this afternoon that the people of the United States did not find fault with Ford because he made millions. No, they could not, because Ford made his millions by his genius and ability. He made cars that were sold cheaply and that could compete anywhere, and people were glad to buy them; so why should they find fault with Ford? But I say we are trying to undo the very thing he did. Certain organizations in this country are saying: Here is our opportunity to make fortunes. They do not say: Here is our chance to do a good business. They wish to take advantage of the tariff to make a fortune for themselves. That is what I am against. I wish to be fair to all business in this country, bar none. I wish all business men to profit, but when it has been shown so well to-day that an initial investment of $125,000 by the Ford people in Canada has grown to assets amounting to $31,000,000 to-day, and

that they have paid out approximately $20,000,000 in cash and stock dividends, I say that is a business that certainly does not require as much protection as it now enjoys. Someone quoted the Financial Post this afternoon as saying that if Ford had received the full value in stock and dividends for the 625 shares he got for his patent rights, he would have received $21,812,500. I presume that is true, because it has been stated over and over again by members of this House and has not been contradicted.

I trust that the leader of the opposition (Mr. Meighen) will take this resolution seriously and will give us his views in a businesslike manner. I have great faith in the ability of the leader of the opposition, and if he would only use his ability in the right way it would be a great advantage to us.

Mr. BENNETT: Give him a chance.

Mr. TOBIN: We are going to give him a chance. The hon. member for St. Lawrence-St. George (Mr. Cahan) believes in mass production, but how are you going to get mass production by keeping prices up? Ford got mass production by lowering his prices, and that is what we want. Let us get mass production in this country by producing the cars as cheaply as possible. That is the very thing we wish to do. I do not concur in the suggestion that we should go to the officers of these firms and ask them what we should do in the matter, or that we should wait until the tariff board sits and ask them the same question. Let us deal with the matter ourselves. Let us act promptly and in a businesslike way. The country is anxiously awaiting our decision.

I want to be brief, but before I close I wish to refer to the statements of certain hon. gentlemen who have spoken during this debate. Some of them have claimed that if the duty on automobiles was reduced the automobile factories would go out of business. Instead of the factories going out of business as a result of a reduction in the duty, I would expect that they would receive a considerable stimulus. One hon. gentleman, who comes from Omaha, I believe—no, I beg pardon; Oshawa—talked of the serious effects to his town that would follow from a reduction of duty. He dilated upon the debenture debt of the town, and the nature of the different expenditures they had incurred. The tone of his argument was that they were doing very well as they were, so why not leave them alone? But besides the interests of Oshawa I suppose we have to consider the welfare of hundreds of thousands of other citizens in other parts of the country. As a result of a reduction in duty automobiles, I think, would become cheaper, also automobile parts. I would like to see everything all down the line, even gasoline, become cheaper. That is what we are working for, I hope, in this Dominion. Then we shall have a revival of business; the industry will not be hurt in any way but rather stimulated, and an impetus will be given to other lines of business.

We read about the exports of cars from Canada. No less than 56,000 cars were exported last year. Surely these cars are not being exported at a loss? Surely this argument is not being advanced in order to influence the government with the idea of making the good Canadian people pay the difference? Of course it is quite possible for an industry to make a large enough profit at home to justify exportation on a basis of reduced profits or even losses.

I think I have indicated where I stand on this resolution. I hope it will not be referred to any tariff advisory board. The hon. member who introduced the resolution has looked into the matter, and I think the figures he brought forward, as well as his arguments, are wholly dependable. I know the hon. gentleman well and I am convinced that any arguments he brought forward would be as fair as he could possibly make them; he would not be betrayed by bias into any unfair argument. The great majority of the members of this House and of the people of Canada are earnestly looking to this government to do something to relieve the situation in order that they may get cars at a price approaching that which obtains on the other side of the international boundary line. At the present time a really good car costs in Canada $1,000 more than across the line—a tremendous advance. I hope therefore that the House will adopt the resolution. I heartily support it.

Mr. A. M. YOUNG (Saskatoon): I wish to compliment the mover of the resolution before the House proposing a substantial reduction in the duty upon automobiles and motor trucks (Mr. Coote) for placing before the House some very valuable statistics. During my recent visit to the west I found there were two things the people seemed to be most vitally interested in: First, the Hudson Bay railway, and second, a reduction in the duty on automobiles. I think I have had more letters on this subject than on any other question since I came to Ottawa. A very short time ago hon. members were presented with a very fine copy of some statistics prepared by the Ford Motor Company of Ford, Ontario. These contained information of a

rather interesting character, but there were certain facts which the document omitted to state, facts which I thought I would like to have. Accordingly on March 16 I addressed a letter to the Ford Motor Company, of Canada, Limited, Ford, Ontario, in which I said:

Dear Sirs,

Please accept my thanks for your beautifully prepared statistics, "The Real Facts about Ford".

I went on to say:

Would you kindly advise—

(1) The original investment in your company.

(2) How much additional capital was put in the company, which was not taken out of profits?

(3) The dividends paid yearly on actual capital originally invested.

(4) Any bonuses which may have been paid.

I received a reply from the Ford Motor Company, and I think the figures they give can very well be taken as authentic because the letter was written by the vice-president and treasurer of the company. In a letter addressed to myself, dated March 23, 1926, the writer says:

Referring to your letter of the sixteenth which was received during the writer's absence in Ottawa—you may recall the writer called on you last week and discussed this matter with you.

Specific information requested in your letter of the sixteenth is submitted herewith:

(1) The original investment of the company, $125,000.

(2) Additional capital put in the company not taken out of profits, None.

(3) The dividends paid from year to year on original capital invested—

Year	Amount
1905	$ 7,488
1906	.....
1907	.....
1908	12,500
1909	31,250
1910	125,000
1911	125,000
1912	150,000
1913	.....
1914	100,000
1915	1,100,000
1916	.....
1917	350,000
1918	350,000
1919	2,450,000
1920	1,050,000
1921	2,100,000
1922	2,100,000
1923	700,000
1924	700,000
1925	1,400,000

(4) Bonuses paid, None.

I am given to understand that in these lean years there were certain stock bonuses issued. When we add those up we find that the total dividends paid in the twenty years amounted to $12,851,238, or an average per year for the twenty years of $642,561. In addition to that I have this statement of their own here which shows that the total investment—and the word "investment" is underlined—in the business was $31,275,530. These two figures added together, the dividends plus the present value of the assets, make a total of $43,978,006. If we average that up for the year and take all the dividends plus the assets it would represent a yearly average of $2,198,900. Now, mark you, Mr. Speaker, the only investment made by this company was $125,000, and according to their own figures that was worth to them annually about $2,198,900. This is one of the infant industries of this country. An infant industry! I have had a little to do with infants during my career. I have had to do with bottle fed and spoon fed babies, but in my judgment this has been the finest spoon fed and bottle fed baby I have had anything to do with. I wonder when the child will be able to walk on its own feet? It has been my experience that if you keep babies bound up too long they will never grow strong, and I think the time is long past due when this baby should be loosed and allowed to walk upon its own feet.

I have been very much interested in some of the remarks made by some hon. gentlemen on the other side of the House to-night, and I was greatly interested in the remarks of the hon. member from East Essex (Mr. Morand). He said the automobile manufacturers had a right to have a fair profit. I think no hon. gentleman in this House will disagree with the statement that any concern has a right to have a fair profit, but I would ask hon. members if the figures I have given constitute what the hon. member would regard as a fair profit. I have a few figures relating to the business of another concern; I must say I have not been able to get such extensive figures as in the other case, but they are sufficient to show the difference in the cost of some models in Canada as compared with similar models in the United States:

United States price	Canadian price
$1,581	$2,195
1,475	2,155
1,977	2,820
2,205	3,130

But those cars were not made by Ford; I think they were made nearer Oshawa. I was very much interested by the statement made by the hon. member for Ontario (Mr. Kaiser) in which constituency, I understand Oshawa is situated. He gave us rather a nice outline of the growth of the city which he has the honour to represent in this House. He was much worried because in 1920 they had a debt of $900,000, which grew in 1925 to $3,383,000. I was not very much concerned about that

small amount of money when they had the automobile industry there. With all these industries going they could wipe out a little thing like that overnight. Is it not a wonderful thing that a small city could grow to such an extent with a protected industry? I come from a city where in 1903 there were 113 people, and to-day, twenty-three years later, there is a population of between 30,000 or 35,000, but it did not grow up on a protected industry.

Some hon. gentlemen opposite wonder why we in western Canada speak about protection all the time. I am going to ask hon. members in this House how they protect the wheat farmer? Out there we have to grow up and have to provide all the things they have to provide in Oshawa. We have as fine schools there as they have anywhere else. We are a little bit proud of our schools and our secondary education. We are proud of the provincial university, which happens to be located there. We have churches in that town, and I think they are a fair sample of the churches in the Dominion of Canada. I am glad to know that in Oshawa they have their churches, and I hope the hon. member will attend there often; perhaps if he does he will have a little of the the milk of human kindness in his make-up and will not be asking for continued protection.

My hon. friend said that if the reduction in the tariff were made 20,000 people in Oshawa would suffer. Let me say that if no reduction is made millions of people will suffer. From my hon. friend's remarks one would be led to think that if there was some reduction in the duty on automobiles all the people engaged in the Ford industry would go somewhere else. I find on page 3 of the Ford Motor document the following:

> Do these three cities mean anything to you?

Then they give pictures of Brantford, Regina and Calgary and they say:

> The Ford industry supports the equivalent of the populations of Brantford, Regina and Calgary, 121,844 people.

Ford Motor Company of Canada, Limited	6,706
Ford dealers..	3,300
Ford service garages..	8,754
Allied industries..	6,000
Dependents..	97,084
	121,844

Allied industries! They seem to be worried about these allied industries and dependents. Is it supposed that if there were some reduction in this duty, the company which only made these slight profits I quoted a little while ago would go out of business? Let us not be worried or afraid of the Ford company in Canada going out of business on account of reduction in duty. If the duty were removed or lowered, it would reduce the price of cars, and I think I can assure the hon. member for St. Lawrence-St. George (Mr. Cahan) that the price of cars will go down the moment the reduction is announced; it will not wait until the reduction comes into effect.

Cheaper production would mean an increase in the sale of cars, and instead of having less employees in Canada there would be a greater number. Then why all this talk from hon. members opposite to the effect that we must have protection? Why the talk? They were telling us just the reverse all along. They were worried about the egg industry and the strawberry industry—trying to draw a red herring over the trail; trying to get us to admit the principle of protection, which we shall never admit. Why? If the argument is good one way, it is good the other way. I say that the price of the Ford car should come down. We do not want to injure that industry in Canada; but what will happen? If the price is lowered, some of the people living in the country from which I come will be in a position to get a car which they need. You may ask what kind of country we have out west. It is a country sparsely settled, over a wide area, and we have to travel long distances. Last September and October I was out there, and what kind of people did I see hauling grain to the market? I saw the women and children out in cold stormy days hauling the grain. Are these people not entitled to a bit of luxury? Cars are a necessity out in that country, but even if they were not a necessity, is there anyone who will deny that the women and children are entitled to that much luxury; that they should be in a position to have a car so that they may travel around and get over to see their friends in the long summer days? It means a great deal in western Canada that the price of cars should be reduced as much as possible. We do not want to injure the industries of eastern Canada, but we say the profits being made in the automobile industry are outrageous, and that the tariff must be immediately reduced. I should like to ask hon. members in this House, with the exception of two or three who have spoken, if they believe in a 35 per cent protective tariff on automobiles? Does the right hon. leader of the opposition believe in such a tariff?

Mr. MEIGHEN: I think the hon. gentleman might address his remarks to the government, none of whom have spoken yet.

Mr. YOUNG (Saskatoon): I will address them in a moment. I take it the right hon. leader of the opposition does believe in a 35 per cent tariff on automobiles. I heard only three hon. members in this House to-day suggest—and some of them made the suggestion very mildly—that the 35 per cent duty was all right.

I will now speak to this government, and I will say to them that the time has arrived for a reduction in the duty on automobiles; it would be the most popular and just thing the government could do. We do not want to refer the matter to a tariff board that is not yet in existence, because we have had sufficient evidence in this House to-day to show that the time has arrived that the duty on automobiles should be reduced.

If I may venture to make a statement which may seem a bit bold, I will say, in reference to one gentleman whose name has been mentioned in connection with this tariff board, that I think he would have been a little better advised, as the right hon. leader of the opposition said to-day, if he had not made so many remarks. This tariff board is one of the most important things we have to consider, and if I may again use the words of the right hon. leader of the opposition, I would say I am not too enthusiastic about a tariff board, but I certainly have no use for his tariff commission.

Mr. MEIGHEN: What is the difference.

Mr. YOUNG (Saskatoon): There is quite a difference. This House must retain within itself the power to fix the tariff.

Mr. MEIGHEN: Did the hon. member read the resolution I moved regarding the tariff commission? If he did, he will find the same reservation there as to the power of this House. There is no difference in the world except a difference in name and that is simply to fool Saskatchewan.

Mr. YOUNG (Saskatoon): This is not the time when we should delay by referring this matter to any tariff board which may be created. We have sufficient information at the present time, and the people throughout Canada, whether they are Liberal, Progressive or Conservative, are clamouring for a reduction in the tariff. Unless this comes a great injustice will be done to the Canadian people.

The thanks of the people of this country are due to the hon. member for Macleod (Mr. Coote) for bringing the facts to the attention of the House to-day and giving hon. members an opportunity of expressing their opinions upon a matter of public concern. I desire to place myself on record as being unreservedly in favour of a reduction in the duties on automobiles in Canada at the present time.

An hon. MEMBER: By how much?

Mr. YOUNG (Saskatoon): I would not be very drastic in the matter. I would be quite agreeable to leaving on say 10 per cent.

Mr. J. E. LETELLIER (Compton): Mr. Speaker, during the last election I had the pleasure of presenting before the electorate of the constituency which I have the honour to represent, a constituency which is not the least in the province of Quebec, a programme of moderate tariff. I, therefore, feel it my duty, not only for my satisfaction, but for the satisfaction of the people of my constituency, to address a few words to the House on this important question of the tariff. I know, as you do. Sir, that a great deal, if not everything, has been said on this question; but as I, in common with, I presume, all other hon. members, have received from the Ford company a pamphlet which deals with a great number of questions, I believe it is worth while to take advantage of this opportunity of discussing the matter seriously.

I am pleased to say that I concur in a great deal that has been said by my colleague the hon. member for Berthier-Maskinongé (Mr. Gervais). I am in favour of a moderate tariff because I really believe that is the only way of protecting our industries. In Canada we have advantages and opportunities that the people of other countries may not have. For instance we have the benefit of our hydro-electric power development, and by maintaining a moderate tariff we will help our factories to develop and afford opportunities for the establishment of additional industries. As it is getting rather late I should like to move the adjournment of the debate.

An hon. MEMBER: Go ahead.

Mr. LETELLIER: I have in my constituency a class of farmers, a class of insurance agents and a class of commercial travellers, and as they all need automobiles, I believe it is my duty to help them out in connection with this question of the tariff. As I have a really bad cold, I move the adjournment of the debate.

Motion agreed to and debate adjourned.

On the motion of Mr. Mackenzie King the House adjourned at 11.45 p.m.

END OF VOLUME II.

MR. JORDAN (Saskatoon): I am addressing my question to the Minister of Agriculture. I take it the target price mentioned by the opposition does relate to average farm income. I find this in anomalous in this House to-day, since—but I do not feel bound to—I could make quite a speech on this.

I am not sure to what extent the target price is related to the cost of production in the country. Perhaps the Minister of Agriculture can tell us if it is not true that the target price is related to the cost of production in the country, and that the target price is not related to the income of a farm family. Perhaps the Minister of Agriculture can tell us if it is not true that the target price is not related to the income of a farm family, and that the target price is related to the cost of production in the country.